

Evaluating Living Wage Campaigns:
An analysis of the factors that influence local
political decision-making

by

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Author's Declaration

I hereby declare that I am the sole author of this thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners.

I understand that my thesis may be made electronically available to the public.

Abstract

With the rise in the proportion of low wage employment over the last few decades, poverty and the need for affordable housing has become a pressing issue for many cities. Living wages are one tool that can alleviate these pressures however; campaigns to implement a municipal living wage policy have met with limited success. This thesis explores the factors that influence the success or failure of living wage campaigns in Canadian cities. Through the use of in-depth interviews with key informants, this study analyzes and defines multiple factors that are important to a successful campaign. The key informants were selected from a pool of stakeholders and decision-makers from two case study cities; New Westminster, BC and Kingston, ON. The campaign in New Westminster, BC resulted in the successful implementation of a living wage policy while the Kingston, ON campaign is currently ongoing. These two living wage campaigns and their respective cities are compared and contrasted with one another in an effort to determine the most pertinent factors for their success or failure. The key informants include individuals and organizations that were active participants in their respective campaigns and the city councillors that ultimately decide on whether or not to implement a living wage policy. The factors that were identified in the interviews have been further classified into four distinct themes: the living wage calculation, campaign structure and networks, political factors, and urban socio-economic context. By understanding the key factors that are influential to a campaign's success in the Canadian context, insight can be gained on the best way to structure any future campaigns in an effort to optimize their chances of success.

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List of Acronyms

ACORN	Association of Community Organizations for Reform Now
CoC	Chamber of Commerce
CCPA	Canadian Centre for Policy Alternatives
CMHC	Canada Mortgage & Housing Corporation
LICO	Low Income Cut-Off
LIM-AT	Low-income measure after tax

1 Introduction

“No business which depends for existence on paying less than living wages to its workers has any right to continue in this country” Franklin D. Roosevelt June 16, 1933

Franklin D. Roosevelt made this comment during an address to congress on the National Industrial Recovery Act in 1933. A 2008 report produced by the Canadian Centre for Policy Alternatives shared a similar sentiment with this statement:

“What does it say about our economy when families are doing all the right things — working hard and working long hours — yet have to choose between paying the rent and putting food on the table?” (Richards, Cohen, Klein, & Littman, 2008)

As these comments illustrate, more than seventy-five years later, the debate over living wages is still ongoing. Although progress has been made in recent decades, there is still a great deal of opposition to implement any policy at any level of government that addresses the issue of low wages. The push to raise low wages in the United States has resulted in over 150 jurisdictions implementing some form of living wage ordinance. In Canada, the living wage concept is still in its relative infancy. Although introducing a living wage policy has been debated in several municipalities, only one city has actually implemented any such policy.

Over the last few decades, the rise in the proportion of low wage employment has made poverty and the need for affordable housing a pressing issue for many cities (Bernstein, 2005; Pollin, 2008). Living wage policies could play a role in alleviating some of these stresses. By increasing the wages of lower income earners, demand for affordable housing and social programs that are currently a drain on municipal finances will be decreased. While living wage policies only apply to a small number of low-income workers, it could be one component to a broader poverty reduction strategy.

Living wages are a contentious issue and are widely debated between those that see them as necessary for an equal and just society and those that perceive them as having a negative impact on the economic development of the city. This debate has led to a broader question of which stakeholders have the greatest influence at the municipal level. This thesis examines the factors that lead to the successful implementation of living wages to draw lessons that can inform future policies in this area. Regime theory, an area of study that looks at this question and focuses on how stakeholders organize in order to gain political influence, is drawn on to help frame the analysis and provide a conceptual framework.

1.1 Research Question and Objectives

1.1.1 Research question

With living wage campaigns starting to become more widespread across Canada, it is important to understand the general structure of these campaigns and how they gain influence

over the decision-making process in city council. Understanding how they work and what the most pertinent aspects of the issue are can gain insight into how best to achieve the goals of the campaign. In order to understand these issues, this thesis evaluates a number of factors in an attempt to answer the main research question:

What factors influence the success or failure of living wage campaigns in Canadian cities?

Through the process of in-depth interviews with key informants in two case study cities, the main factors are explored and the extent to which they are important to the final decision are analyzed.

1.1.2 Research objectives

The objectives of this research are to answer the following sub-questions:

- *How have stakeholders within a campaign been organized?*
- *Are there specific stakeholders that are more influential than others to local governments?*
- *Are local governments more likely to support the view of a small number of key stakeholders or a wide-ranging number of less prominent stakeholders?*
- *What other factors are taken into account during the decision-making process?*

1.2 Significance of Research

While there has been a considerable amount of research done on living wages in the US context (Adams & Neumark, 2004; Gallet, 2004; Lester, 2011; Levi, Olson, & Steinman, 2002; Martin, 2001, 2006; Neumark & Adams, 2003; Swarts & Vasi, 2011; Zabin & Martin, 1999), there has been little research done in Canada. The intention of this research is to add to a growing body of research on living wages in a Canadian context. Canada and the US differ on social, political, and economic factors. Furthermore, Canadian and US cities differ in their legal authority to implement various living wage policies. These differences make specific Canadian-based research on living wages critical in understanding the Canadian living wage campaign.

This research also aims to fill the literature gap regarding living wage campaign processes, structures, and influencing factors. Exploration of these issues is mostly absent in the literature as most studies focus on the economic impacts of a living wage on municipalities, businesses, and workers. By filling this gap, the findings in this study can be used to further educate future campaign organizers on the influential factors involved in the decision-making process.

1.3 What is a Living Wage?

1.3.1 Definition of a living wage

A living wage is meant to offer a worker the lowest wage possible while still allowing them to maintain a minimally decent quality of life (Brennan, 2012). While this definition is broadly open to debate, it is the overall concept of raising workers' wages to a level of financial

security based on an amount deemed acceptable through a collective social agreement rather than on specific numeric values that is the essence of living wages. Living wages are calculated in many different ways but what is consistent between all of them is that it is not merely a subsistence wage. The living wage is meant to do more than simply lift workers and their families above the poverty line. It is meant to offer security and opportunities for further economic stability and to allow for the recipient to actively participate in their community.

1.3.2 Who is typically covered by living wage policies

Living wages can be implemented wherever there is a governing structure that has the authority to prescribe minimum wage restrictions and can enforce compliance of the policies. Technically, in Canada, the provinces could implement living wage policies by increasing the minimum wage however, this has not yet occurred. There have been some cases where living wage policies have been implemented in universities and public school boards, as well as some airport authorities in the United States. However, the most common type of living wage is a policy implemented by municipalities that covers workers who work either directly or indirectly for the city. Living wage advocates also encourage private companies to voluntarily implement a living wage policy.

Municipal living wage policies are typically implemented using three different methods; each method affects a varying number of workers. First, living wages can be applied to all workers that are employed directly by the municipality. In most cases, municipal workers have

wages that are already higher than the prescribed living wage being implemented making this form of living wage policy largely symbolic. Second, living wages can be applied to all city employees and all companies that hold contracts with the city. This set of policies can apply to all workers within the company or only to those that work on the government contracts. Lastly, the policies can apply to any companies that receive any type of financial assistance from the municipality. This assistance could be in the form of direct subsidies or tax incentives to local companies. While this form of implementation occurs in the US, Canadian laws prevent direct subsidies from municipalities to businesses, therefore excluding this form of living wage policy from being possible (Skelly, 1995). In conjunction with these three types of policy options, city councils can also determine if the policy extends to part-time and student employees. The contractor based method of implementation is by far the most common where both city employees and workers working on city contracts are required to make the living wage (Lester, 2011).

1.3.3 Living wage vs. minimum wage

A living wage differs from a minimum wage in several ways. The key difference is that although living wages are often seen as a poverty reduction strategy, they are designed to offer a wage that is far above the poverty line. Minimum wages are intended to offer a wage that will raise a worker above the poverty line but, unlike a living wage, they are not intended to offer financial security and the opportunity for future stability.

In Canada, the minimum wage is set by the province and is not updated on a regular cycle or indexed to inflation. They are often left at a given rate until the provincial government, usually responding to public pressure, increases the rate. Alternatively, living wages are set by the city or region and are continuously reviewed and adjusted to stay in line with inflation and the rental housing market. This allows for cost of living increases to be regularly factored into the living wage calculation. Additionally, since living wages are implemented at the municipal level, the variable costs of housing that occurs between cities can be taken into account.

Unlike a minimum wage, which is a base rate set to apply to all workers, living wages target a specific segment of the workforce (Clain, 2008). Since municipalities do not have the authority to broadly set wages, living wages apply to only those who are employed by, or are on contract with the municipality. This results in a relatively small number of workers that are affected by living wage policies.

For many, living wages are advocated for as a step within a broader goal of an increased minimum wage. Campaigns to increase minimum wages have been occurring for far longer than the contemporary living wage campaigns. Social and anti-poverty advocates have found strong opposition and a reluctant political arena at the higher levels of government to increase minimum wages and have begun looking to lower levels of government to improve incomes of lower income households (Swarts & Vasi, 2011). As more municipalities pass living wage policies, higher wages at the low-income level will likely become more widely accepted. With

this wider acceptance, the issue of raising the minimum wage could become less politically sensitive and higher levels of government may be less averse to increasing minimum wages.

1.4 Organization of Thesis

The thesis is divided into five sections that include a review of the available literature, the research methods used for the study, background information on Canadian living wage campaigns, a presentation and analysis of the findings and conclusions. The literature review focuses on the concepts and debates surrounding living wages and presents the available data on the advantages and disadvantages of them. The use of living wages as a poverty reduction strategy and a possible tool to aid in affordable housing is also explored. The literature review also looks at the local political decision-making process through the lens of regime theory to provide a conceptual framework for the subsequent analysis. Chapter 3 explains the research design and methods used in the study and justifies the choice of case study cities used in this thesis. Chapter 4 provides a detailed explanation of the process and history of the living wage campaigns that have occurred in Canada. Chapter 5 presents and analyzes the findings gathered throughout the course of the study. The findings are presented as concepts and themes that emerged from the interviews and highlight what those involved in the respective campaigns felt as being important factors for their success. Finally, chapter 6 concludes the thesis by offering a rough outline of important factors for future campaign organizers to take

into account, highlighting the contributions that this research makes to the field of planning and directions for further research on the topic.

2 Literature Review

2.1 Introduction

This chapter discusses some of the current literature on living wages, their context within the broader issue of income inequality, regime theory politics and affordable housing. By looking at these issues within the context of living wage campaigns, clear links between these topics can be made. The interconnectedness of these topics is focussed on throughout this thesis.

2.2 Living Wages

It is important to note that the majority of research on living wages has predominantly been done on living wages implemented in US cities. To date, there has been very little research done on living wages in the Canadian context. Living wages are a relatively new issue being debated in Canada and, as such, academic interest in the topic has not yet emerged. Additionally, with only one municipality that has implemented living wage policies, the opportunity to perform empirical research is limited.

Due to the relative short period of time and small number of places where these policies have been implemented, it has only been recently that researchers have taken notice of, and been able to study the effects of living wage policies, making the available data limited. This lack of research, as well as the absence of a system of tracking and recording any relevant data, has also prevented any conclusions from being drawn as to the effects of these policies. There

are a few isolated case studies of cities that have implemented living wage policies but not nearly enough to be able to make broad generalizations from (Brenner, 2005; Fairris, 2005; Lester, 2011). However, these studies have shown that the policies within these case study cities have had little negative economic impact on the companies affected and the city as a whole.

2.2.1 History of the living wage

The concept of living wages has had a long history in North America. The term was first popularized during the National Railroad Strike in the United States in 1877. Over the next half century, the term became commonplace in labour rhetoric and was extensively debated by economists, business elites, labour unions and social movement organizations (Glickman, 1999). During this time, the terms living wage and minimum wage were often used synonymously. The actual definition of what a living wage should be was of considerable debate. As labour unions gained more power during the 1930's and 40's, the concept became more defined and was recognized as a wage that would guarantee a reasonably comfortable standard of living rather than merely a subsistence wage.

During the quarter century following 1950, there was little discussion on living wages or income inequality in general. The general economic stability that occurred in Canada and the US during this period led to a lack of interest in the topic in both public and academic discourse (Osberg, 2012). As the rate of income inequality began increasing during the 1970's, so did

interest in income distribution and wage policies. The debate surrounding living wages re-emerged in the early 1990's when religious organizations began noticing the need for higher wages through the community work that they were performing. Religious workers in soup kitchens and homeless shelters began noticing an increased need for these services during this period. They also noticed that the proportion of people using these services that had employment was increasing (Pollin, 2008). This led them to the realization that the issue of poverty was not only a lack of available employment but also an issue of low wages. During this period, the focus of anti-poverty groups switched to include the "working poor"; people and families that had full-time employment but still lived below the national poverty line. Since then, awareness and advocacy for the working poor has steadily increased.

The contemporary phase of the living wage movement began in 1994 with the Baltimore campaign. Baltimore was the first city to have a living wage campaign in North America and the first to successfully implement a living wage policy. Since then, approximately 150 other American jurisdictions have followed suit, including such major cities as New York, Los Angeles, Chicago and Boston. In the Baltimore campaign, a pre-existing organization made up of forty-six churches called Baltimoreans United in Leadership Development (BUILD) initiated the campaign (Levi et al., 2002). The main catalyst for the campaign was a major development project called the Inner Harbor Development that required large public subsidies for its construction. The project brought out concerns that many groups had and created a forum for dialogue that

would have otherwise been difficult to create. Low income residents had concerns about their tax dollars funding such a project, while public sector unions saw this project as a way to slow the privatization of public sector jobs (Levi et al., 2002). The result was a campaign with many different groups and organizations actively working together towards the implementation of a living wage policy.

The movement began to appear in Canada during the mid 2000's largely as a result of anti-poverty groups noticing the gains being made in the movement in the US. Additionally, organizations that were actively campaigning for living wages in the US had connections with similar organizations in Canada making specific knowledge about living wages and campaign strategies easy to export. In particular, the community group Association of Community Organizations for Reform Now (ACORN) that has been prevalent in living wage campaigns in the US also has a national network across Canada (Bernstein, 2005; Zabin & Martin, 1999). ACORN Canada has been extremely active in the Canadian living wage movement and has adopted many of the tactics used by their US counterparts.

2.2.2 Coalition members and opposition

Living wage campaigns typically consist of a combination of three types of groups. Labour organizations, community organizations and religious groups are the predominant groups that advocate for and participate in living wage campaigns. Community organizations and religious groups often perform similar roles in campaigns and work in conjunction with one another

throughout the planning and organizing of the campaign. Successful campaigns have typically resulted from the involvement of all three of these groups (Levi et al., 2002; Nissen, 2000; Zabin & Martin, 1999).

While it is usually community organizations or religious groups that initiate the discussion of a living wage, labour organizations often support and join a campaign at the early stages. Campaign organizers focus on getting support from labour unions or local labour councils, who represent multiple unions, during the early part of the organizing process. They bring with them considerable political clout and are often influential to the decisions made by city councils (Bernstein, 2005). They also bring financial support that can be substantially more than what community and religious groups can offer. Depending on the size of their membership, they can also bring a formidable number of their members out to rallies or council meetings to advocate for living wages. However, unions do have limited resources and must consider trade offs between advocating for their members and organizing in a living wage campaign (Levi et al., 2002). This is why it is essential for other organizations to be involved that can dedicate more of their time and energy actively campaigning.

Labour unions have largely been supportive of living wage campaigns for a number of reasons. City contracts that require employers to pay living wages make it less competitive for unionized companies to bid on them because they typically already pay higher wages than non-union companies. This levels the playing field when comparing labour costs to other non-union

companies bidding on the same contract (Bernstein, 2005). In many cases, living wages will raise the wages of unionized workers that are already contracted by the city. The campaigns also offer avenues of communication with low wage workers in their industry that can lead to potential organizing opportunities thus increasing the unions membership (Bernstein, 2005; Zabin & Martin, 1999). These reasons for union support for living wages are often criticized by opponents as being more about self-interest than about raising wages for people who are in need (Bernstein, 2005). While there may be some truth to this, unions have had a long history of advocating for higher wages not only for their members, but for non-union workers as well.

Community organizations range from small local groups that advocate for social issues that are important to their city to large national organizations that have local chapters across the country. In Canada and the US, ACORN plays a major role in advocating for and organizing living wage campaigns (Bernstein, 2005; Zabin & Martin, 1999). They have been crucial to the success of many campaigns in the US and the only successful campaign in Canada. Recently, Vibrant Communities Canada, a national network of community groups that advocate for anti-poverty initiatives, has begun advocating and offering services for living wage campaigns across Canada. These community organizations usually offer much of the information required on a given issue and are able to extend logistical knowledge to campaigns based on campaigns that they have been involved in elsewhere (Zabin & Martin, 1999). They also do the bulk of the organizing, fundraising, media awareness and door-to-door canvassing in campaigns.

Community organizations are also important to the campaign because they often have a network already in place and have a sizable number of people available to offer support and assistance (Nissen, 2000). Their involvement on similar issues within the community allows them access to various organizations and potential supporters. In many cases, they have some political sway with local politicians due to a history of working with them on other issues but their primary role is typically to gain public support and use this support to apply pressure to city councils.

Similarly, religious groups are viewed as invaluable to the campaign because of the public support they can bring to the issue. They are typically well respected within the community and are able to reach a wide segment of the population with their message. While they typically do not have the level of resources that labour unions or community groups have, they do offer a great deal of labour to the campaigns from their volunteer members.

Opposition to living wage policies has predominantly come from businesses directly affected by them and business associations that represent multiple businesses or specific industries. The US campaigns have witnessed a great deal of resistance from numerous organizations at the local, state and national level. For example, the National Restaurant Association, in conjunction with local business communities, has actively campaigned against living wages and, in some cases, spent millions of dollars attempting to stop their passage by

city councils (Bernstein, 2005). They have also attempted to introduce legislation that would essentially make it illegal for local councils to pass living wage ordinances (Bernstein, 2005).

In the Canadian context, opposition is much less active and organized. Opposing organizations tend to work independently from one another and mainly focus on engaging city council and the media to get their message out but do not form alliances or develop a specific strategy to counter a living wage campaign. Local Chambers of Commerce have typically been the most vocal opponents in Canada; usually arguing that they interfere with the market and create an unfriendly business environment for the city (Pollin, 2008; Swarts & Vasi, 2011). However, active and organized opposition may increase should more living wage campaigns begin to succeed in Canada.

Right leaning think tanks are also vocal in their opposition to living wages. In the US, The Employment Policies Institute, a think tank funded by the restaurant and retail industry, is the main national opponent to living wages (Swarts & Vasi, 2011). The Fraser Institute, a conservative think tank, has consistently come out against living wages in Canada. Both organizations have written reports citing negative economic consequences to living wage policies (Employment Policies Institute, 2000; Lammam, 2014; Macpherson, 2002).

2.2.3 Campaigning at the local level

From the start of the contemporary living wage movement, advocates and organizers focussed their efforts at the local level for a number of reasons. First, poverty and low-wage

employment are more severe and more visible at the municipal level (Martin, 2001; Pollin & Luce, 1998). Poverty is far more prevalent in cities than it is in suburban and rural areas. Due to this concentration, coupled with the downloading of services by higher levels of governments to municipalities in recent decades, social services have become largely concentrated and administered at the local level. This has also resulted in a concentration of poverty advocates within cities. Since poverty is often highly visible in cities, gaining public support for measures that are seen to be poverty reduction strategies is perhaps easier.

Second, at the local level it is much easier to mobilize low wage workers and get them and other supporters to city council hearings as opposed to provincial or federal legislatures (Luce, 2004, 2012). Often it is a simple matter of transportation; low wage workers within a city can easily get to their City Hall while getting to a provincial or federal legislature can be costly and time consuming. The smaller scale of the city also makes door-to-door canvassing much easier for campaign organizers, enabling them to inform and mobilize a proportionately larger number of people than at the provincial or federal level.

The greater abundance of “people power” at the local level has a better chance of combatting the power of money that any organized opposition can generate to counter the campaign (Luce, 2012). At higher levels of government, money plays a more prominent role. Informing the public at these levels is more costly because of the wider audience that needs to be reached, requiring a greater advertising budget (Luce, 2012). In addition, campaigns at these

higher levels of government are likely to draw more attention from opponents that have the financial power to mount an organized anti-campaign. A multi-national corporation that might be affected by living wage policies will likely not get involved at the city level because the additional labour costs that they would incur should a living wage policy pass is insignificant however, at the provincial or federal level those additional labour cost might justify them getting involved.

Another advantage to campaigning at the city level is that many of the services that are targeted are relatively immobile (Swarts & Vasi, 2011). City or city-subsidized parking lots, airports, convention centers, and hotels are some of the services that have been affected by living wage ordinances. These are businesses or services that cannot easily pick up and move to another city.

The final reason for living wage campaigns to target local levels of government is due to the large amounts of capital used to encourage economic development by all levels of government. In the US, urban development funds have been used to attract businesses to cities in an effort to revitalize them and curtail the growing levels of poverty that had been occurring. In these cases, substantial public subsidies have been offered to businesses that are willing to locate in the city. However, poverty rates have steadily increased even with these subsidies (Hajnal, 1995). Although many of these urban development initiatives have been successful in revitalizing the downtowns of many cities, they have done little to reduce urban poverty

throughout the city as a whole (Pollin & Luce, 1998). Living wage advocates saw these subsidies as an opportunity for better wages and, in many cases, were able to attach living wage stipulations for businesses receiving these subsidies.

2.2.4 Factors for the adoption of living wages

Although much of the research on living wages has focussed on the economic effects that they have on a city, some research has begun to look at determinant factors of why a city adopts living wage policies. There have been some studies that have looked broadly at these determinants by comparing cities that have adopted living wage policies across the US (Martin, 2001, 2006; Swarts & Vasi, 2011). Others have focussed on specific factors that are taken into account when a city decides to adopt a living wage policy (Gallet, 2004; Grant & Trautner, 2004). These studies have discovered some common variables between cities that have implemented living wage policies. The predominant factors for the adoption of living wage policies that these studies identified were political ideology, poverty, a history of activism in the city, city size, proximity to other cities that have implemented a living wage policy and per capita income. While these studies are exclusive to US cities, it is important to study them in the Canadian context where the differing social, political, and economic aspects could have an impact on the importance of these determinant factors.

One of the key findings was that the adoption of living wage policies was better explained by political ideology rather than economic factors. Poverty is often perceived to be the primary

factor for the adoption of living wages however studies in the US show that cities with a more liberal or socially progressive electorate are much more likely to be receptive to living wages (Gallet, 2004; Martin, 2006). Cities that typically voted in Democrats at the state and federal level were more likely to adopt living wages than cities that were represented by Republicans (Martin, 2001). In fact, there is a clear correlation between the adoption of living wages in red states compared to blue states.

There is conflicting evidence on whether poverty rates within a city have any bearing on whether or not a city adopts a living wage policy. One study in the US found that cities that had a higher than average poverty rate were one and a half times more likely to adopt living wages (Martin, 2006). However, a more recent study found that poverty rates within a city had no significant influence on their adoption (Swarts & Vasi, 2011). It is therefore important to note that, although the most common arguments made by living wage advocates are centred on poverty reduction, the poverty rate within a given city may not even play a role in deciding whether or not to implement a living wage policy.

In cities where there was a history of residents advocating and campaigning for other social issues, living wage campaigns had a greater rate of success (Martin, 2006). Based on this history, cities are more likely to have local networks in place that can work on a living wage campaign. These existing networks mean that organizations that do advocacy work have had previous experience working together and do not have to develop new relationships of trust

and already have lines of communication open between each other. This history also usually results in a higher density of socially progressive organizations within the city that can work on the campaign (Swarts & Vasi, 2011). Additionally, the general public is likely to be better informed and supportive of social initiatives that share similarities with living wages.

City size played a role in the adoption of living wages. Studies in the US have shown that cities with a population size greater than 300,000 were 2.2 times more likely to adopt living wage policies than smaller cities (Martin, 2001, 2006; Swarts & Vasi, 2011). Larger cities tend to have higher purchasing power per capita giving them considerably more leverage to negotiate with when contracting out services. This allows them to place more restrictions on companies that bid on contracts because the dollar amounts are greater than in smaller cities (Swarts & Vasi, 2011).

Per capita income is not a factor for the adoption of living wages. Swarts and Vasi (2011) looked at several US cities that had adopted living wages; they found that per capita income had little effect on the adoption of living wage ordinances. While assumptions can be made that cities with lower per capita income and higher poverty rates are more likely to pass living wage policies simply because there is a greater need for them, Swarts and Vasi (2011) found that these factors played no role in whether or not a city adopted living wage ordinances. Alternatively, based on theories first propagated by Wilensky (1975) who argued that as average incomes rise, individuals become more attentive to social ills and more economic

surplus is devoted to social welfare programs, it can be ascertained that cities with higher per capita income are more likely to adopt living wage policies (Gallet, 2004; Waltman & Pittman, 2002). However, Gallet (2004) found that, while cities with higher per capita income did enact living wages with higher wage rates, higher per capita income levels in a given city did not contribute to the decision on whether or not to adopt a policy.

2.2.5 The economic arguments of the effects of living wages

The debate surrounding the overall effectiveness of living wages is still ongoing with both supporters and opponents arguing based on limited and incomplete data. Questions surround whether living wages do benefit low-income workers as a whole. To date, there has been no conclusive evidence to say whether or not they are effective. While there have been a few isolated case studies done, there has not nearly been enough to be able to make broad generalizations about the effectiveness of living wages (Brenner, 2005; Fairris, 2005; Lester, 2011). The case studies that have been done show that living wage policies have little negative economic impact on the companies affected and the city as a whole.

The most contentious debate surrounding living wages is whether or not they actually reduce poverty. Opponents arguing that living wages do not reduce poverty often cite research done on minimum wages as a comparative example. However, the primary fault in this line of reasoning is that living wage ordinances and minimum wages have drastic differences; a key one being the coverage of workers under each. Minimum wage laws have universal coverage of

all workers while living wage ordinances apply only to a small subset of the labour force (Clain, 2008). The few studies that have looked specifically on the effects of living wages on urban poverty have found that they do result in a modest reduction of net urban poverty (Adams & Neumark, 2005a; Clain, 2008; Neumark & Adams, 2003). However, another study done argues that the gains made to the incomes of living wage recipients are often negated by the roll back of government subsidies that they had been receiving before the wage increase (Toikka, 2005). The living wage formula developed by the Canadian Centre for Policy Alternatives, which is now widely used in living wage campaigns in Canada, takes the roll back of government subsidies into account when calculating the wage.

Opponents also argue that while living wage policies do increase the wages of some, it actually reduces employment opportunities for workers in the lowest skilled and lowest income group. There are a few main arguments used to support this assertion. First, basic economic theory states that as wages rise, demand is reduced resulting in fewer available jobs in general. However, this economic theory is based on a model where all other factors remain equal. This rarely occurs in reality. Economic growth consistently changes the dynamic of supply and demand. As the economy expands, demand increases which can often offset the increased labour costs associated with living wages (Pollin, 2008). Living wages themselves will change the dynamic as well by providing greater spending power to more people thus increasing demand (Pollin, 2008).

Second, affected employers will reduce their workforce and rely on more flexible scheduling by using part time workers in order to compensate for lost revenue. In many studies this has been found not to be the case (Brenner, 2005; Fairris, 2005; Lester, 2011). In Brenner's (2005) study on the Boston living wage, he found that the opposite was true and employers actually moved from part-time workers to full-time.

Finally, employers will reallocate higher skilled, higher wage employees to the city contracts while the low wage workers will be used for non-city contracts thus eliminating any gains that the living wage policy was intended to provide and further compress the availability of low skilled jobs (Adams & Neumark, 2004). Again, Brenner (2005) found that in the case of the Boston living wage, this assumption did not hold true. In fact, Brenner found that companies actually expanded the number of employees working on city contracts.

Another main issue debated is the effects that living wages will have on the local economy. Many policy makers are reluctant to implement a living wage policy for fear of having their city seen as unfriendly to business (Pollin, 2008; Swarts & Vasi, 2011). This could have negative impacts for the economic growth of the city because it would not be an attractive location for new businesses or larger multinational corporations looking to open a branch within the region. However, none of the studies that have been done have shown a city-wide economic slow down based on the implementation of a living wage ordinance (Adams & Neumark, 2005a; Brenner, 2005; Lester, 2011).

The threat of businesses relocating to other jurisdictions that do not have living wage policies has also proven to be hollow. Many of the services contracted to the city are relatively immobile (Swarts & Vasi, 2011). Services such as city-owned parking lots, airports and convention centres cannot simply move because of regulations that the city decides to implement. For those companies, the decision becomes whether to absorb those additional labour costs or pass them on to the city but relocating is simply not an option due to physical and geographic constraints.

Proponents of living wages argue that the increased wages result in a reduced turnover rate and absenteeism as well as greater productivity. With low turnover rates, companies can reduce their training costs, which in some industries, can be quite substantial. Greater productivity and lower absenteeism requires companies to rely less on paying overtime wages; further reducing their costs (Fairris, 2005). These factors can, in many cases, offset the additional labour costs faced by companies affected by living wage policies. In one study on the living wage ordinance in Los Angeles, the author found that there was a reduction in the turnover rate of 35 percent among low wage occupations (Fairris, 2005). In general, the studies that have specifically researched these issues have found these factors to be true however it is unsure if the costs saving are substantial enough to offset the increased labour costs (Adams & Neumark, 2004; Brenner, 2005).

While the concerns brought up by opponents to living wage policies are cause for legitimate concern, studies to date have shown no disemployment results and very few negative economic outcomes for the city (Buss & Romeo, 2006; Luce, 2012). Additionally, neither the companies that have been affected by living wage ordinances nor their low wage employees have experienced the dire outcomes predicted by opponents. In general, the additional costs to companies affected by living wage policies are taken from the company's profit margin and are not passed onto their workforce in any way. In some cases, slight increases to the price of the contract being charged to the city occurred (Brenner, 2005; Luce, 2012).

2.2.6 Failed campaigns

Research on living wage campaigns has focussed predominantly on campaigns that have resulted in the successful passage of living wage laws and policies. There is far less research on campaigns that have failed to achieve their stated goals. Failed campaigns can be invaluable to overall research into living wages. The authors of one study that estimated the economic effects that a living wage policy had on a city argued that using cities of failed campaigns as a control group led to a more accurate estimation than using a broader set of all cities without a living wage law (Adams & Neumark, 2005b). This also permitted the separate estimation of the effects of living wage policies and living wage campaigns.

It is also important to note that while a living wage campaign that does not succeed in accomplishing the primary stated goal of the implementation of a living wage policy, it is somewhat problematic to deem it a “failed” campaign. While a campaign may have failed in achieving the implementation of a living wage policy, the success that it achieved in other areas is largely immeasurable. The effects that a “failed” campaign has on raising public awareness to wage related issues can create change in other avenues. For example, the momentum that a failed living wage campaign creates for improving wages can ultimately lead to further organizing by low-wage workers, which can result in changes to wage setting norms by private businesses. Businesses may voluntarily increase wages in response to public pressure or the greater organizing of low-skill labour (Adams & Neumark, 2005b). Often, living wage campaigns will succeed in social and cultural realms while failing in the political realm. This can be seen in many of the “failed” campaigns in Canada where, despite widespread support from the general public and very little or no organized opposition, they are still unable to have a policy implemented by city council.

Additionally, the passage of living wage legislation at the local level is highly sensitive to the distinctive and historically contingent patterns of discourse around redistributive issues. It is these historic patterns that play a critical role in how economic problems are framed and reframed. In his study of living wage campaigns in San Francisco and Chicago, Lester (2014) argues that by building on the existing historical narratives of social movements within a city,

these narratives can actively be reconstructed by social actors to further their agenda. Although both cities were able to implement a “contractor only” living wage policy, over the ten-year period that followed, San Francisco was able to continue implementing additional living wage policies while the Chicago campaign had no success in forwarding their agenda any further. Lester attributes this additional success of the San Francisco campaign to the city’s history of progressive movements that framed the way in which economic problems were addressed and how public decision-making occurred in the city. Ultimately, it was previous rounds of economic policy debates, and efforts to support redistributive policies, whether successful or not, that gave living wage advocates and campaign organizers the inherited vocabulary with which to frame their arguments.

Therefore, even living wage campaigns that are deemed to have failed contribute to shaping the historical narrative regarding progressive movements and redistributive policy debates. This argument has become evident in the Waterloo Region living wage campaign that ended in 2010. While the Waterloo campaign failed to implement a living wage policy, it was successful in advancing the discussion on low wages within the region. Due to this ongoing discussion, social activists are attempting a renewed campaign with a modified set of goals. In November of 2014, a living wage employer recognition campaign was launched. This campaign is attempting to convince private businesses within the region to voluntarily pay their employees a living wage. While this current campaign has been initiated and organized by a

different set of social activists, lessons learned in the original campaign are proving to be highly beneficial. One key aspect that was learned from the original campaign was that there is strong support from the general public and many private businesses to pay a living wage. The eventual goal of this new campaign is to gain support from private businesses and then reintroduce a living wage policy to regional council.

Failed campaigns also play a valuable role in articulating goals and arguments that can then be used in future campaigns. Rather than playing a passive role in redistributive debates, failed campaigns play an active role by providing actors with the “vocabulary” with which to present their arguments (Lester, 2014). Seeing which arguments were made against the living wage and the way in which these failed campaigns addressed these arguments can provide future campaigns with a base of knowledge to create stronger arguments and steer the debate in the direction that would be most beneficial to the campaign’s success.

2.3 Living Wages in the Broader Context

Income inequality has become an increasingly important discussion over the past several decades. This discussion has intensified tremendously after the global recession that began in 2008. The recession became an important catalyst for this discussion, which resulted in direct action movements that attempt to alleviate income inequality and further highlight the hardships of the working poor. These movements have worked independently of one another but all work to the similar goals of raising the incomes of low-wage workers and alleviating the

income disparity between low and high-income workers. The Occupy Wall Street protest and subsequent movement that occurred in 2011 was one movement that focussed on these income issues and raised a global awareness of the structural problems within our economic system. As a result of the Occupy movement, minimum wage protests targeted at the fast food industry have resurfaced with renewed vigour and have spread in scope and scale. While living wage campaigns, the Occupy movement and minimum wage protests all work toward similar goals, each one has distinct strategies and methods that contribute to these goals. It is a culmination of all these movements that will ultimately effect long lasting change.

While protests and movements have increased considerably in recent years, the issue of income inequality has had a long history that was exacerbated during the 1970's and 1980's when neoliberal ideology began to directly influence economic and social policy. What began as a utopian intellectual movement during the 1970's became highly politicized under the Reagan and Thatcher regimes of the 1980's (Peck & Tickell, 2002). During this period, the dismantling of many social programs, the deregulation of market policies and the erosion of labour and environmental protections occurred. Aggressive forms of state downsizing, austerity financing, and public service "reform" were justified as essential measures to extend market economies and increase competitiveness (Harvey, 2005; Peck & Theodore, 2012; Peck & Tickell, 2002). They were often defended as a means to a "free market" which, in turn, would strengthen the economy.

Since then, neoliberal ideology has become ubiquitous with the prevailing global socio-economic system. This ideology has permeated into nearly every facet of our lives and its effects can be seen at the global and local level (Peck & Theodore, 2012). Unlike the Fordist-Keynesian era, when national and state/provincial governments were responsible for social integration and limited macro-economic management, neoliberalism has induced localities to compete with one another by cutting social and environmental regulatory standards and eroding the political and institutional collectivities (Peck & Tickell, 2002).

However, nowhere has neoliberalism had such an impact as on labour dynamics and wages. The virtue of competitiveness that neoliberal ideology espouses for free market economies also extends to the workers within these economies. The erosion of labour protections and consistent attacks on labour unions that have been taking place since the 1980's has enabled a restructuring of the labour market that promotes precarious work and lower wages (Peck & Theodore, 2012; Peck & Tickell, 2002). One element of this restructuring is the outsourcing of public sector workers to the private sector. This drastically reduced wages for workers in those sectors and created high levels of job losses resulting in greater competition for workers in low wage sectors (Bernstein, 2005; Pollin, 2008). Additionally, policies enacted that limited the power of labour unions and, in many cases, decertified unions has led to lower rates of union membership, further contributing to the pool of low-wage workers.

Neoliberal ideology and the subsequent laws and policies that were borne from this ideology has greatly contributed to the current levels of poverty and the growing income gap (Hall & Reed, 1998; Hulchanski, 2010; OECD, 2008). Since the 1970's, a steady fall in wages for low wage workers in real terms has occurred (Bernstein, 2005; Pollin, 2008). The value of the federal minimum wage in the United States has drop precipitously over the past 40 years. In 1968, the federal minimum wage was \$8.98 per hour expressed in 2005 dollars while the actual minimum wage in 2005 was \$5.15 (Pollin, 2008). Canada has also experienced a substantial growth of the working poor. Over the past couple of decades, Canada has witnessed a rise in income inequality that has seen the gap between the upper and lower classes widen. This has also led to a decline in the number of middle class households. The share of Canadians with family incomes from 75% to 150% of the median fell from 52% to 47% over the 15-year period between 1989 and 2004. Over this same period, the ratio of income of the top 10% to the bottom 10% rose from 6.58 to 8.85, an increase of 35% (Heisz, 2007). Although the number of households in the middle class fell over this period, their average income actual grew by 8% while the top 10% of earners saw their incomes grow by an astonishing 24%. This growth was at the expense of the lower class, which saw their incomes fall by 8%, and by the reduction in the size of the middle class (Heisz, 2007).

Additionally, the proportion of the workforce making minimum wage has been steadily increasing. As of 2009, 5.8% or 817,000 of the workforce in Canada made the provincial

minimum wage. This was the third consecutive year that the proportion of minimum wage workers increased (Statistics Canada, 2010). Of this group of minimum wage workers, 32% are aged between 25 and 54 years (Statistics Canada, 2010); dispelling the myth that minimum wage jobs are occupied by students who are still living at home. These changes have been occurring more gradually and to a lesser extent than in the US, which is likely the reason that the movement has taken longer to start in Canada and has not spread at nearly the same rate as it has in the US.

The Occupy Wall Street movement began in 2011 with a six-week long protest in New York City, which quickly spread to cities and university campuses across the United States. The protest also had global implications and was inspired by major protests that had occurred in Europe and the Arab world (Calhoun, 2013). The protest had one simple message; that the protesters represented the 99% and were there to fight back against the 1% that controlled the global economy. This message was intentionally vague in order to gain widespread support and resulted in the participation of a diverse group of individuals. From labour rights advocates, anti-poverty activists and environmental protection organizations to general citizens that were concerned with financial and government regulations; all could accept this message as a voice of their own personal cause (Calhoun, 2013). While the movement was largely a response to income inequality that had been occurring over the past several decades, organizers were very careful not to politicize the message. To speak of neoliberalism as the issue would have framed

it largely in terms of political ideology, which would have excluded participants who did not share that particular analysis or its left-wing implications (Calhoun, 2013).

The occupy movement differed from many other similar movements in that it did not state any list of demands or attempt to offer any alternative solutions to the general issue of inequality that the protest was criticizing. The movement also did not have a single organizational structure and no official leaders (Calhoun, 2013). These points made the movement different from most other movements and protests that are typically well organized and have clear demands. Instead, the occupy movement focussed solely on what the protesters were against. The 1% was a target that anyone who felt disenfranchised could rally against.

While the Occupy Movement does still exist, it is very limited in its actions and initiatives. Without the organizational structure and clear list of demands, it was inevitable that the tremendous support that it was able to gain would be short lived (Calhoun, 2013). However, this does not mean that the Occupy Movement failed. The movement achieved a major goal of raising awareness of an issue that has long been ignored by many. The movement was also successful in showing that there is an atmosphere of widespread dissatisfaction with the current disparity of power and income. This has emboldened other movements to continue with similar causes.

The fast food strikes that began in New York City in 2012 are part of another movement that focussed on inequality. The strikes mobilized low-wage workers in the fast food industry to

protest for higher wages, better working conditions and the right to form a union without retaliation from their managers. The protests focussed on the fast food industry because of the large proportion of minimum wage workers within the industry but were soon joined by workers from other industries that predominantly paid minimum wages. The strikes quickly spread to other major US cities and by the end of 2013, the movement had reached global proportions with workers in over 150 cities across six continents taking part in strikes and protests.

Unlike the Occupy Wall Street movement, the fast food strikes do have distinct demands, the primary one being to raise the minimum wage. In an effort to raise the minimum wage, protesters took to the streets with slogans such as “Low Pay is Not OK” and “Fight for \$15”. The targets of these protests were also clearly defined. The movement focussed primarily on the large fast food corporations such as McDonald’s, Burger King, Wendy’s and Pizza Hut. However, part of this tactic was also an effort to pressure these corporations into supporting state legislatures in mandating a higher minimum wage. Corporations are unlikely to raise wages unless their competition is required to do so as well which can result in powerful - although unwilling - allies in the political realm.

The strategies used by the Occupy Wall Street movement, fast food strikes and living wage campaigns range along a spectrum of populism to political. The occupy movement focussed on creating a populist message that would provoke further activism but did not

attempt to directly effect political change. The lack of demands by the movement and simple messaging of targeting the “1%” raised awareness of income inequality but did not offer solutions to the problem. At the other end of the spectrum, the goal of living wage campaigns is to enact direct political change through the implementation of policy and legislation. While living wage campaigns do attempt to gain support through rallying and protesting, these efforts are limited. Instead, living wage organizers focus on education and gaining support from organizations and city councillors through debate and discussion. The fast food strikes are in the middle of this spectrum using both populism and politics to effect change. While the strikes and protests are meant to gain popular support for the cause, the clear demands of the movement are directed at the political body that has the power to implement these demands through legislation. These three initiatives; and the different strategies used by each of them; can work in conjunction with one another. It is both populist support and political engagement that is required to effect lasting change for the overall agenda of reversing income inequality.

Another aspect that these three initiatives differ on is the geographic scale at which they take place. Living wage campaigns occur at the local level and attempt to get policies implemented by city or regional governments. The fast food strikes concentrate their efforts at the state and, to a lesser extent, the federal level because those levels of governments have the power to raise minimum wages. Since the intention of the occupy movement was on raising awareness and gaining support for inequality in general the focus of the movement was at the

national and global level. This differing geographic scale can also ultimately benefit all three initiatives. Due in large part to the occupy movement; income inequality has become part of the consciousness of the general public on a national scale which could lead to greater support for living wage policies at the local level. Alternatively, as more cities implement living wage policies, pressure to implement policies at the state/provincial and federal levels of government increases. If local governments can demonstrate that wage policies are both widely supported and feasible to implement, higher levels of government could potentially be less resistant to implementing similar wage policies.

The one commonality that these three initiatives share is that they all challenge the prevailing ideology that wages should be based on an economic market approach. Instead, at least at the lower end of the income spectrum, these initiatives promote the idea that wages should be based on need. While a needs based approach to wages faces strong opposition and is decried by many economists and politicians, the idea is gaining momentum with the general public who feel that the market-based approach is leading to further income inequality. As awareness turns to activism, initiatives that attempt to frame wages in terms of need will increasingly become more successful. This, in turn, could potentially lead to a wider discussion and greater support for more progressive (or radical) socio-economic ideas such as a guaranteed income supplement or a basic income.

2.4 Regime Theory Politics

Regime theory, developed during the 1980's, studies the way that local governments make decisions. Key to this theory is the question of how local governments are influenced by individuals or organizations with a vested interest in a particular issue (Hackworth, 2007). Stone (1989), with his study of urban governance in Atlanta, Georgia, is often credited with the development of this theory. The theory builds on a debate that had been occurring since the 1950's regarding urban governance. During this time, there were two opposing viewpoints on the subject. Pluralist theorists believed that influence was gained through a series of coalitions between individuals or organizations that shared a common interest. Through this process of coalition building, an issue gained further public support that forced local governments to act upon the issue. Conversely, elite theorists believed that it was key individuals that held a substantial amount of access to local governments and were able to wield considerable influence upon them that affected decisions. Elite theorists believed that the business people that held a great deal of economic power in the city were the individuals that contained the greatest amount of influence (Hackworth, 2007).

As Hackworth (2007) explains, regime theory evolved out of these two differing viewpoints. This theory suggests that it is elements of both elitist and pluralist theories that are needed to affect change. While coalitions are important in gaining wide public support on a given issue, key individuals that do hold political or economic power within the city are required

in order to gain access to local government. Alternatively, elite members in a democratic society cannot affect change without at least some support of the public.

The coalitions that are formed to affect the governing structure can be long lasting partnerships between groups with multiple similar interests or groups that come together to achieve specific goals and move on after those goals are achieved. Stone (1989) argues that it is the long lasting partnerships that are effective because of the relationship that these partners have developed over time. Those involved that have shared in the achievement of a task, and perhaps the same crises, will develop tacit understandings of one another. With this ongoing relationship, trust and the ability to rely on one another also develops (Stone, 1989).

Another important aspect of these coalitions is that there is no overarching governing structure that dictates specific tasks or synchronizes behaviour of each coalition member (Stone, 1989). The coalition remains cohesive through the shared desire of achieving the defined goals. Members will offer their support to a cause to the extent that it benefits them. Once all members of the coalition agree upon the goals, they work towards achieving these goals without the need of a governing structure.

The ways in which living wage campaigns organize themselves when trying to get city councils to pass living wage policies can be usefully understood through the conceptual framework of regime theory. Since living wages are often seen to have negative economic impacts, campaign organizers must form coalitions that encompass both organizations that

hold substantial political sway and are able gain broad support from the general public. Successful campaigns have typically included organizations from the labour movement, community organizations and religious groups (Levi et al., 2002). By gaining support from these three groups, the campaign is able to achieve both political sway and public support.

Different community groups and organizations bring different aspects to a campaign that allows it to affect the political change required for living wages to be implemented. In terms of regime theory, labour unions bring considerable political influence to the campaign while community and religious groups bring the ability to gain public support. When these three groups are brought together at the very beginning of the campaign instead of once the campaign is underway, the campaign has a much greater chance of success (Levi et al., 2002).

2.5 Affordable Housing

Affordable housing has been a concern for all levels of government since the end of the Second World War. During the post war period, the federal government supplied a tremendous amount of funding for the construction, maintenance and management of affordable housing units. Additionally, the federal government also used its regulatory powers to instil stability and confidence in mortgage lending and to expand sources of capital for housing finance. These initiatives are what created a strong housing market and led to the affordability of housing for the majority of the population (Carter, 1997).

By the mid-1970's, economic growth had slowed and inflation and unemployment rose rapidly which, in turn, resulted in massive deficits for all levels of government. In response to this, governments began focusing on fiscal restraint (Fallis, 2010). The federal government began defunding and downloading social programs onto lower levels of government which, for the most part, were ill-equipped to fund and manage these programs (Walks, 2009). In 1993, the federal government stopped funding the construction of new housing units and essentially made construction of new units the responsibility of the province (Carter, 1997). This initiative was soon followed by many of the provinces, which also stopped funding construction during the late 1990's, resulting in a 10-year period in which virtually no new affordable housing units were built. Both levels of government shifted their roles to managing and maintaining existing units as opposed to funding new units (Carter, 1997).

Recently, both the federal and provincial governments have committed to funding the construction of new housing units. In 2008, the federal government committed \$1.9 billion to a five-year affordable housing strategy. Additionally, a \$1.525 billion one-time grant was also directed towards the program through the Canada's Economic Action Plan stimulus fund. The Ontario government has also committed funding through the Affordable Housing Program initiated in 2009. Through these programs, the province of Ontario plans to build 4,553 new housing units.

The literature regarding government funded affordable housing generally falls within two categories: the construction of affordable housing by government; and subsidies directed at those in need of housing. Pressure from various social groups to increase funding in both of these areas has mounted in recent years however; others argue that this system is unsustainable and puts a tremendous economic strain on governments (Carter, 1997; Fallis, 2010; Moore & Skaburskis, 2004). While studies have been done suggesting that there is a shortage of housing for low income and moderate income families, these studies are largely based on the current income levels of these groups (Johnson, 2007). Fallis (2010) argues that the problem is not a lack of affordable housing but is instead a result of inadequate income. His argument is supported by a CMHC report that studied the availability of affordable housing over a fifteen year period (Canadian Mortgage and Housing Corporation, 2009). Furthermore, Moore and Skaburskis (2004) argue that the increased income inequality that has been occurring over the past few decades, and was exacerbated by the economic recession of the 1990's, has been instrumental in the increases in demand for affordable housing. They argue that changes in the average level of income coupled with the unequal distribution of income affect demand for affordable housing, because housing supply caters to the higher income groups. This trend suggests that economic growth, low inflation and low mortgage interest rates coupled with adequate and an equal distribution of incomes is the best and cheapest way to ensure a housing market that is accessible to all (Fallis, 2010; Moore & Skaburskis, 2004).

The current approach that Canada takes for the provision of affordable housing needs to change. A new ideology that focuses on the income side of affordability must be part of the solution and the reliance on government funding to achieve housing goals should change (Fallis, 2010; Skaburskis & Mok, 2000). The arguments put forth to justify the defunding of housing programs by many governments has been that the housing market can regulated itself through supply and demand to set the affordable prices. While there is some merit to this argument, a critical factor that is excluded from this argument is that in order for this to occur, an even income distribution throughout the population is required.

While some argue that a return to the conventional model for providing affordable housing is what we should be attempting to do, this would require the reassembly of dismantled programmes that have been deemed unsustainable (Skaburskis & Mok, 2000). Fallis (2010) argues that the system that Canada has traditionally used for providing affordable housing is obsolete for the current social, demographic and economic realities. The system designed after the Second World War was based on a broad Keynesian model that accounted for the unemployment issues of the time. The current economy has been going through a structural change over the last few decades from a goods producing economy to a service economy that has led to a need for the retraining of our workforce (Policy Horizons Canada, 2012). Fallis (2010) argues it is structural unemployment that Canada should be tailoring any affordable housing program towards. This would entail funding for education and retraining

programs and direct income subsidies that would go directly to those in need. By focussing on increasing wages instead of on constructing more or allocating specific buildings as social housing, people will have greater access to the labour market over a much greater geographical area.

2.6 Summary

Debates regarding living wages, regime theory politics and affordable housing are all important issues to consider in regards to a living wage campaign. These topics were specifically chosen because they deal with the distinct phases of a living wage campaign. First, the economic and social arguments highlight the need for living wages. Second, regime theory describes the process and structure that the campaigns take on in an attempt to implement living wages. Finally, affordable housing highlights one of the main benefits that living wages could potentially have on a city.

The literature on living wages reveals that it is a complex and widely debated issue. The benefits and disadvantages outlined in this section are factors that city councils must weigh when deciding on whether or not to implement living wage policies. While the available literature is limited, the general consensus from empirical studies is that living wages have no significant effect on the economic well-being of the city, they do not result in fewer employment opportunities and they do reduce poverty.

Regime theory is used in this thesis to explain the formation and the structure of the campaigns. Regime theory politics have been discussed extensively in relation to local economic issues but rarely in terms of social grassroots campaigns. Coalitions formed in a campaign that encompass stakeholders with strong political ties and can generate substantial public support are essential to the success of a campaign. The campaign is able to maintain these, often delicate, networks because of a set of common goals that have been negotiated at the start of the campaign.

Affordable housing was discussed in this chapter because housing costs are by far the largest expense for low-income households. Highlighted in the section on affordable housing is that the current system of providing housing to low-income families is flawed. Instead of addressing affordable housing from a supply perspective, cities should be attempting to alleviate the need for social housing from an income perspective. By working on improving the incomes of low-income households, these households can be integrated into the current rental market instead of relying on the production of more social housing. While living wage policies typically affect only a small portion of the cities lower income families, it can be used as one tool in a poverty reduction strategy and has the potential to encourage private sector employers to raise wages for their low wage employees.

3 Research Method and Design

3.1 Introduction

The data for this thesis was collected through semi-structured interviews of key stakeholders and decision-makers that have been or are currently involved in a living wage campaign. The interviewees were selected from two case study cities; New Westminster and Kingston. This chapter discusses the research methods used for the collection and analysis of data for identifying the primary variables involved in the success or failure of living wage campaigns. Additionally, the selection process of the case study cities will also be discussed in this chapter.

3.2 Study Paradigm

This study follows a qualitative approach to determine and analyze the factors that are important to the success of living wage campaigns and are influential within the local political decision making process regarding the implementation of living wage policies. The reason for this approach is that the study requires an analysis based on the exploration of the meanings that individuals ascribe to a social problem (Creswell, 2009; Lindlof, 2002). This study is inductive and allows for a broad, general gathering of information and opinions which lends itself to unrestricted responses that can potentially lead to areas that have previously remained unexplored (Bryman & Teevan, 2005).

Since living wage campaigns encompass both social and economic issues, non-academic debates on whether or not living wages are beneficial vary substantially and are often based on anecdotal experiences and personal opinions. The experiences that occur within living wage campaigns are subjectively viewed by the participants and therefore develop different meanings and shape individualistic views on the subject matter. Additionally, the decision to implement living wage policies relies largely on the perception of the decision maker of the reaction that the decision will receive from the general public and the business community. It is these differing views that dictate the interactions among the individuals involved and it is the role of the researcher to interpret and analyze these interactions (Bryman & Teevan, 2005; Creswell, 2009).

The lack of empirical data as well as the lack of any structures in place to track and monitor the effects of living wage policies makes a quantitative approach difficult. Because of the qualitative approach, the findings here are specific to the cases being studied (Kitchin, 2000). While the data cannot be replicated, the conceptual and empirical conclusions about factors influencing living wage campaigns can be used to guide and inform future campaigns elsewhere.

3.3 Case Study Site Selection

Two living wage campaigns, in different cities, were compared and contrasted with one another in an effort to determine the most pertinent factors for their success or failure. New

Westminster, British Columbia is the case study where a successful campaign took place and resulted in the implementation of living wage policies that came into effect on January 01, 2011. Kingston, Ontario is the second case study city and is currently experiencing a living wage campaign.

New Westminster is the only city to result in the implementation of living wage policies making it the only option for the representation of a successful campaign. At the start of this study, Kingston, ON and Hamilton ON, were the only cities that had ongoing campaigns. Kingston was chosen to represent an ongoing campaign for two main reasons. First, the Kingston campaign had made greater progress with city council and had progressed further in developing a network of organizations that were actively working on the campaign. Second, Kingston is closer in city size to New Westminster than Hamilton, thus a comparison to Hamilton would somehow need to isolate effects of city size which is difficult to do in a qualitative study.

An ongoing campaign was chosen as a case study instead of a failed campaign due to the availability of interview participants. Since the last failed campaign ended in 2011, many of those involved are no longer active in the living wage. Many of the campaign organizers were volunteers who have either become involved in other social justice issues or are no longer involved in social activism. Some of the city councillors that were involved in these failed campaigns have left city council as well. Alternatively, participants involved in an ongoing

campaign are easily available and eager to participate in an interview to discuss living wage campaigns. Participants that are involved in ongoing campaigns can also recall intricate details of the campaign better than someone that has to recall details from years past.

3.4 Data Collection Method

The data collection method used in this study is in-depth interviews. The interviews are semi-structured and use open-ended questions pertaining to living wage campaigns. They were conducted by telephone and recorded to ensure accuracy upon review and analysis. Telephone interviews were chosen over in-person interviews based on convenience for both the researcher and the study participants. The interviews were then transcribed at the earliest opportunity. Potential interview candidates were contacted via email with a brief outline of the thesis topic and a request to participate. Prior to the interview, participants were sent a consent form and an information letter that explains the study and outlines the role and responsibilities of both the participant and the researcher. A copy of both the consent form and the information letter can be seen in appendix A.

Open-ended questions allow for the key informant to provide detailed explanations on the issue, enable exploration of issues outside the direct purview of the study, and permit the researcher to ask follow-up questions (Bryman & Teevan, 2005). They can be “designed to elicit information that is ‘factual’, descriptive, thoughtful or emotional” which, given the complexity

and subjectivity of the subject matter, allows for an in-depth understanding of the pertinent issues involved in living wage campaigns (Longhurst, 2010, p. 106).

Despite the unstructured format, it was important for the researcher to introduce general themes and set boundaries (Corbetta, 2003). The interviewees were classified into two categories; stakeholders and decision-makers and each group had a different set of themes that were addressed in the interview. The stakeholders were defined as any organizations or individuals that openly advocated for or against living wages while the decision-makers were the local councillors that were required to vote on living wage policies. A more in-depth discussion on participant selection and the participant's roles in the campaigns will follow in this chapter. The themes addressed and some of the primary questions asked in the interviews are shown in table 3-1.

Theme	Stakeholders Primary Questions	Decision-makers Primary Questions
Background	<ul style="list-style-type: none"> - Can you tell me a little bit about your organization? - What are the main issues that your organization is involved in? 	<ul style="list-style-type: none"> - Can you tell me a little bit about your time on city council? - What are some of the main issues that you have been involved in?
Involvement	<ul style="list-style-type: none"> - Can you explain what actions your organization took during the campaign? - How and why did your organization initially get involved in the living wage campaign? 	<ul style="list-style-type: none"> - Were you actively involved in campaign? - How and why did you initially get involved in the living wage campaign?
Coalitions	<ul style="list-style-type: none"> - Were these coalitions with organizations that you had a pre-existing relationship with? - Did the work on the campaign become coordinated across the coalition? - Was there a strategic attempt to collaborate with specific organizations? 	<ul style="list-style-type: none"> - Have you worked with any of the organizations involved in the campaign on any other issues? - Were there some stakeholders that you considered to be more influential on your decision than others? How so?
The formula	<ul style="list-style-type: none"> - Did the formula used to calculate the living wage effect the campaign in any way? - Did the number and type of employees covered have any effect on the campaign? 	<ul style="list-style-type: none"> - Did the formula used to calculate the living wage play any role in your decision to support or oppose the living wage? - Did the number and type of employees covered have any effect on your decision to support or oppose the living wage?
Public opinion	<ul style="list-style-type: none"> - In what ways was informing the public important? - Was their support crucial to the campaign? 	<ul style="list-style-type: none"> - In what ways was informing the public important? - Was their support crucial to your decision?
Opposition	<ul style="list-style-type: none"> - Was there a strong opposition to implementing a living wage? - Was this opposition organized in any way? 	<ul style="list-style-type: none"> - Was there a strong opposition to implementing a living wage? - Was this opposition organized in any way?
Other potential factors	<ul style="list-style-type: none"> - Have there been other issues that might relate to living wages that have been an ongoing concern? (ie. Poverty, affordable housing) - Is there a history of activism in the city? 	<ul style="list-style-type: none"> - Have there been other issues that might relate to living wages that have been an ongoing concern? (ie. Poverty, affordable housing) - What other key variables did you consider when making your decision?
Political concerns	-	<ul style="list-style-type: none"> - Were you concerned about potential political repercussions and did this effect your final decision? - Has your involvement with the campaign led to any other unforeseen positive or negative consequences?

Table 3-1 Interview themes

The full interview guide complete with prompting and follow-up questions can be found in appendix B.

3.5 Study Participants

The process of selecting participants in a qualitative study is often based on their experience related to the topic being studied; and it is this method that was used for selecting participants for this study (Kitchin, 2000). Often in research, a systematic approach to selecting participants is used however, due to the rarity of the living wage campaigns and their finite timeframes, a systematic approach was not feasible and participants had to be chosen based on their involvement in the campaigns (Corbetta, 2003). Participants were sought out through a process of reviewing policy documents as well as media reports in local newspapers. Types of organizations that were discussed in the literature on living wages were also contacted. These organizations included business associations, labour councils, anti-poverty groups, chambers of commerce and think tanks.

Additionally, non-probability or 'snowball' sampling was used to find participants that would not have otherwise been included. Concluding each interview, the participant was asked if they knew anyone that they felt would be beneficial to the study. The snowball sampling method was successful in gaining access to others that were directly involved in the campaigns. For example, one of the organizers for the Kingston campaign was discovered through local media reports. This participant then recommended contacting specific people who are also organizers within the campaign.

Since most of the participants in the study were supportive of the living wage, recommendations for further participants were largely directed towards others that were also supportive. Interviewees were asked if they could recommend both supporters and opponents of the living wage however most stated that they had come across very little opposition and virtually no organized opposition. Additionally, the organizations that have typically opposed living wages, such as business associations and business improvement areas, did not respond to interview requests and therefore, could not recommend other potential participants that would be opposed to the living wage.

In total, thirty-two potential participants were contacted through email. A second, follow-up email was sent to those that did not respond. Finally, attempts to contact participants that had not responded to the emails were made by telephone. From this pool of thirty-two potential participants, twelve did not respond to email or voicemail requests for interviews, two declined the request but suggested other individuals within their organization that they felt would be better suited to be interviewed and eighteen agreed to be interviewed. The eighteen that agreed to be interviewed consisted of nine participants from each case study city.

The participants that agreed to be interviewed were predominantly supportive of the living wage campaign. Of the eighteen interviewees only two were opposed to a living wage policy. The interviewee from the Greater Kingston Chamber of Commerce stated that, at the time of the interview, his organization had not taken an official position on the issue however;

he also stated that if the living wage policy did not directly benefit the businesses represented by the organization, they would not support the policy.

The participants can broadly be categorized into two groups; stakeholders and decision makers. The stakeholders represented are from a diverse group that either supported or opposed the implementation of living wage policies. There were six stakeholders from Kingston interviewed. The primary campaign organizers included one representative from the Social Issues Networking Group, one representative from the Kingston Community Health Centres and two representatives from the Sisters of Providence of St. Vincent de Paul. One coalition member from the Kingston and District Labour Council was also interviewed. The representative from the Greater Kingston Chamber of Commerce was one stakeholder that was interviewed that was not directly involved in the campaign.

Five stakeholders were interviewed for the New Westminster case study. The stakeholders included one representative from ACORN, which was the primary campaign organizer, and three coalition members. The three coalition members were from the living wage for families, the New Westminster District Labour Council and the Canadian Centre for Policy Alternatives. One campaign supporter from Vancity was also interviewed.

The decision-makers are the city councillors that ultimately make the final decision whether or not to implement living wage policies. While it is unrealistic to interview all councillors from the case study cities that voted/are voting on the issue, the councillors that

have publicly come out either in support of or in opposition to the policies prior to the vote in council were interviewed. Of the 12 city councillors and mayor on Kingston's city council, five councillors and the mayor were asked to participate. Three of the councillors agreed to an interview while the mayor and the other two councillors did not respond to requests. One of the councillors that was interviewed is actively involved in the campaign and was responsible for putting the motion for a staff report on implementing a living wage policy before council. One councillor was supportive of the living wage but is not actively involved in the campaign. The third councillor is strongly opposed to the implementation of any form of living wage.

New Westminster's city council consists of six city councillors and a mayor. Five councillors and the mayor were asked to participate in this study of which three councillors and the mayor agreed. The mayor and two of the councillors were supportive of implementing a living wage policy with one of those councillors very active in the living wage campaign. The other councillor was opposed to the living wage policy however she did ultimately vote in favour of implementing the policy, making the motion pass unanimously.

For a complete list of the organizations contacted for this study see appendix C.

3.6 Data Analysis

The method of data analysis used in this study is based on a grounded theory approach. Grounded theory is the most widely used framework of data analysis in qualitative research (Bryman & Teevan, 2005). It requires an iterative approach where data collection and analysis

are performed in tandem. As the data is collected, it continuously informs and shapes the analysis. As the analysis evolves, the process of data collection is slightly revised. For example, as an interviewee introduces a new issue, questions regarding this new issue are added to all subsequent interviews. Thus the data analysis and collection are continually evolving throughout the interview phase of the study.

Within grounded theory, there are two levels of theory. Substantive theory is constructed within the process of identifying similarities and differences across case studies. The content is descriptive and focussed on the substance of the case instances. Formal theory is at a higher level of abstraction and uses the results of the substantive theory to elucidate a wider applicable theory (Bryman & Teevan, 2005; Mills, Durepos, & Wiebe, 2010). This study utilizes these theories by collecting data from two distinct case study cities to construct a substantive theory. The concepts developed in the substantive theory are then used to elicit more precise categories that are further compared to other living wage campaigns in Canada resulting in a formal theory that has wide applicability.

As the interviews were completed, they were transcribed and coded. Open coding was used to break down the interviews and examine and compare the data to develop a number of specific concepts (Bryman & Teevan, 2005). Each concept represented a specific factor that the interviewees felt were influential to the success or failure of the living wage campaign. While

there was much variation as to what each interviewee felt was the most important, all of them felt that these concepts were important to some degree.

While analyzing the data, four distinct categories became apparent. The factors that were detailed by the interviewees were discussed within a broader conversation that focussed on a general topic. For example, many interviewees discussed how the living wage calculation was an essential tool to explain exactly what the living wage entailed to both the general public and city councillors. In this same discussion, interviewees explained the importance of how the campaign's message was framed. From this general topic of discussion the distinct category of education and gaining support for the campaign became apparent. Using this method, it was determined that the factors fit within four distinct categories: education and gaining support, organization and management of the campaign, the decision-making process and factors that are specific to a given city.

These categories were then further analyzed within the context of the interviews and in conjunction with the available literature to determine the themes discussed in the analysis and discussion chapter of this thesis. For example, the factors that were discussed in the organization and management of the campaign pertained to the campaign structure and networks. This final analysis led to the development of four themes: the living wage formula, campaign structure and networks, political factors, and urban socio-economic context. These four themes were influential within the case study living wage campaigns and are themes that

could be applicable to other living wage campaigns. Figure 3:1 shows the factors that emerged throughout the interviews, the categories that became apparent based on these factors and the general themes that were developed for this thesis.

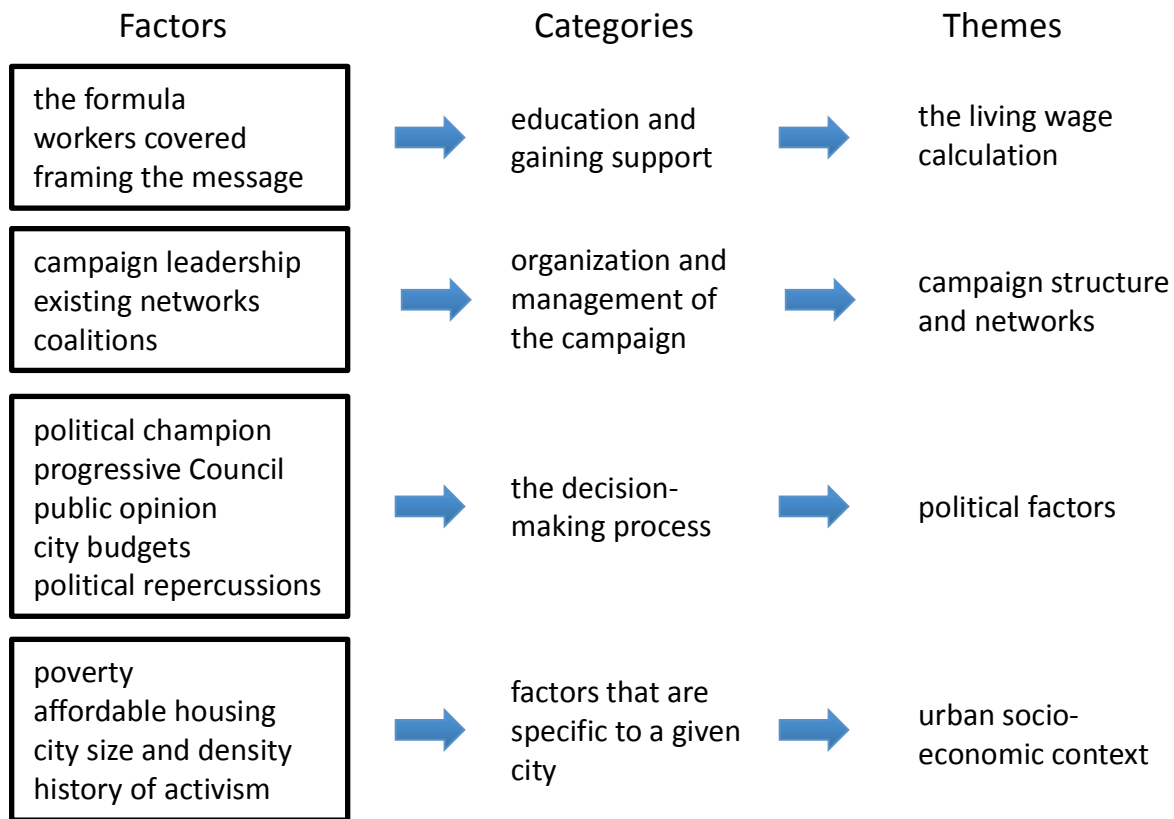


Figure 3:1 Data analysis process

4 Living Wage Campaigns in Canada

4.1 Introduction

Living wage campaigns across Canada have met with limited success. To date, there have been seven municipalities that have either attempted or are in the process of attempting to implement living wage policies. The City of New Westminster is the only municipality to adopt a living wage policy. Currently, Kingston and Hamilton have ongoing living wage campaigns taking place. Waterloo Region, Calgary, Ottawa and Esquimalt have all experienced failed campaigns. This chapter outlines the timeline of the campaigns, the organizations involved, the steps taken throughout the campaigns and the decisions made by the respective city councils. Additionally, some of socio-economic variables that are pertinent to the study are given for the municipalities where living wage campaigns have occurred.

While there have been many cities where living wages have been discussed or advocated for, there are only a small number of cities that have had any form of living wage policy put before council. The municipalities discussed in this chapter have had living wage campaigns that have resulted in a vote in council. For some, the vote was a final vote to determine whether or not a living wage policy would be implemented. For the campaigns that are currently ongoing, city council has voted to have internal reports by city staff done on the impact of living wages and to provide possible options on how to proceed.

The calculation for the living wage rate in Canadian campaigns has been based on either the low-income cut-off (LICO) formula or the Canadian Centre for Policy Alternatives (CCPA) formula. Table 4-1 tabulates the formula used for each of the Canadian campaigns as well as many of the key aspects of the campaigns.

The LICO formula is based on the rate required to raise an individual workers annual income above the national low-income cut-off. Since the LICO is based on national median income statistics, the formula does not account for costs that are specific to a particular city. The LICO formula is also based on the needs of an individual and not on the needs of a family. This formula was exclusively used in campaigns prior to the development of the CCPA formula.

In 2008, the CCPA formula was developed for Vancouver and Victoria and took into account specific costs based on these cities. This formula has since become the standard framework for calculating living wages for Canadian cities and was officially presented Canada-wide in April of 2013 at the "Cities Reducing Poverty" summit (Richards et al., 2008). The framework was developed through the collaboration between Vibrant Communities Canada, the Canadian Centre for Policy Alternatives, and B.C.'s Living Wage for Families. Recently, these organizations have developed the Living Wage Canada network; a national network for living wage campaigns where cities that are interested in living wages can go to for resources and make connections with other cities that are also considering living wage policies.

The formula that was devised is based on a family of four with two parents, each working full time. It accounts for two children; one in full time daycare and one in before and after school care. Costs of living including transportation, food, rental housing, clothing, childcare and medical expenses are factored into the formula. The formula also includes costs associated with one parent taking part time college courses to improve employment capacity. Any tax credits or child tax benefits are also considered in the formula. The formula does not include credit card or loan debts, savings for retirement, owning a home and saving for the children's future education. The formula varies slightly between provinces based on different tax structures and social assistance offered by each province however the basic needs determined for a family are constant. Appendix D offers a detailed breakdown of the living costs included in the formula.

Since the CCPA formula is based on the specific needs of a family of four, the calculated wage rate is higher than the LICO formula, which is based on raising the income of an individual above the low-income cut-off.

Place	Status of Campaign	Campaign Timeframe	Formula Used	Hourly Rate (at time of campaign)
New Westminster, BC	Passed	2009 - April, 2010	CCPA	\$16.74
Kingston, ON	Ongoing	2010 - Current	CCPA	\$16.29
Hamilton, ON	Ongoing	2011 - Current	CCPA	\$14.95
Esquimalt, BC	Failed	2010 - April, 2011	CCPA	\$17.31
Waterloo, ON	Failed	2003 - January, 2010	LICO	\$13.62
Ottawa, ON	Failed	2009 - June, 2011	LICO	\$13.25
Calgary, AB	Failed	2003 - April, 2009	LICO	\$13.25

Table 4-1 Canadian living wage campaigns

4.2 City of New Westminster, BC

The City of New Westminster is the first, and currently only, municipality to have passed a living wage policy in Canada. After the CCPA report was released in 2008, the Metro Vancouver Living Wage for Families advocacy campaign was formed. This campaign consisted of many social activists and anti-poverty groups that collaborated on the living wage issue. ACORN Canada was one of the organizations involved and became a key player in the New Westminster Living Wage Campaign. The Metro Vancouver Living Wage for Families campaign organizers were looking for a municipality within the region to make a concerted effort to focus the campaign. ACORN was headquartered in New Westminster and was familiar with the community and the city councillors. Based on this relationship, ACORN felt that New Westminster offered the best chance for a living wage policy to be implemented. Both the

residents and the City Council were fairly progressive in terms of supporting social policies that help the poor.

New Westminster has had a long history of progressive activism and labour unions that the campaign organizers saw as being an advantage to gaining public support for the campaign. The city was the capital city of the colony of British Columbia from 1859 until the colony became a province of Canada in 1871 at which time the capital was moved to Victoria (City of New Westminster, 2009). This status established a strong public sector presence very early in New Westminster, which was further heightened by the establishment of the British Columbia Penitentiary in 1878. The prison was a key component of the city's economic base until it was decommissioned in 1980 (City of New Westminster, 2009). This strong public sector continues to this day with healthcare and social services being, by far, the largest sector, accounting for 5,300 or 23% of the city's jobs. This is largely due to the Royal Columbian Hospital, which is located in the city.

The city's waterfront location and access to the Canadian Pacific Railway; which reached New Westminster in 1886; made it an ideal location for industrial development during the twentieth century. The city's economic roots were based on primary sector production relying on lumber milling and salmon canning during the nineteenth century. This was followed by a wider range of manufacturing that developed during the twentieth century (City of New Westminster, 2009). Manufacturing is still a dominant sector of the city's economy accounting

for 11% of the jobs. The predominance of the primary resource production and manufacturing industries in New Westminster's history led to a high density of labour unions and a general public that was largely supportive of labour and wage issues.

Over the last several decades, the city has undergone a steady decline of employment, particularly in the manufacturing and resource production industries. From 1971 to 2001, New Westminster's share of jobs within the region fell from 6% to 3% of the total (City of New Westminster, 2008). Between 2001 and 2006 the city continued its steady economic decline. While the Metro Vancouver area saw an employment growth rate of 8% over that time period, New Westminster witnessed a decline of 10% resulting in a loss of approximately 2,500 jobs (City of New Westminster, 2009). The only sectors that experienced growth over this time period were wholesale/retail trade and construction with growth rates of 10% and 8% respectively. With the decline of the resource and manufacturing industries, the density and membership of labour unions has also declined however, the support of labour and wage issues within the city still remains strong.

The New Westminster campaign used the calculation developed for the 2008 report released by the CCPA to determine the wage rate for the city (Richards et al., 2008). While the report calculated the wage rate for Metro Vancouver, the campaign organizers and city council felt that the rate was applicable for the city. Metro Vancouver has a tightly integrated labour market across its municipalities which results in the majority of residents commuting to other

municipalities for work. Only 42% of employed residents work in their home municipalities (City of New Westminster, 2009). Due to New Westminster's relative small population size and central location within Metro Vancouver, it has an even smaller share of residents that work within the city. Only 20% of New Westminster residents also work within the city, including 5% who work from home (City of New Westminster, 2009).

The CCPA report and subsequent development of the Metro Vancouver Living Wage for Families campaign was intended to educate the public and city councils on the importance and benefits to implementing a living wage policy as a way to alleviate poverty. It was housed in First Call Child and Youth Advocacy Coalition; a non-profit, anti-poverty organization that had taken on several other similar initiatives in an effort to reduce poverty within the province of British Columbia.

In this sense, New Westminster was an ideal choice for a living wage campaign. The city had a higher percentage of low-income families than the rest of the province. According to the 2006 census, the percentage of low income families in the city accounted for 16.3 percent of the population while 18.2% of children under the age of 18 years live below the poverty line (First Call: BC, 2012). This is well above the provincial rates of 13.1% and 14.9% respectively.

Additionally, Median household income was slightly lower for New Westminster than it was for the Metro Vancouver region. According to 2006 census data, New Westminster's median household income was \$48,773 while the region's was \$55,231. Both median

household incomes for couples with children and couples without children were lower with incomes of \$78,282 and \$67,662 respectively while median incomes at the regional level were \$79,982 and \$70,426 for the same household types. Single-person household was the only household type that had a median income slightly higher than the region. That category had a median income of \$30,866 for New Westminster and \$30,364 for the region (City of New Westminster, 2009).

Housing affordability within the city also made New Westminster an ideal candidate for a living wage campaign. In 2001, 20% of households in New Westminster were considered to be in core housing need. This is considerably higher than the regional average of 16%. Core housing need is particularly pronounced for renter households with a core need of 30% compared to only 9% of owner-occupied households (City Spaces, 2008).

Average housing prices and rental rates are considerably lower than the rest of the region. The average rental rate for apartments in 2012 was \$866 while compared to an average rate of \$1,047 in the Metro Vancouver Region. Similarly, housing prices are considerably lower in New Westminster compared to the region. In 2012, the average price for a detached house in New Westminster was \$645,400 while apartments were selling on average for \$275,000 (CMHC, 2012e; Development Services Department, 2013). With average prices of \$904,200 for detached houses and \$361,200 for apartments in the region, New Westminster's prices are

nearly 30% cheaper for detached houses and 25% cheaper for apartments (Real Estate Board of Greater Vancouver, 2012).

Although house prices and rental rates in New Westminster are lower than in most of the surrounding municipalities, the median household income is also lower than these other municipalities. Additionally, with only 20% of the city's population working within the city, costs associated with commuting to jobs in other cities must be taken into account for the majority of New Westminster households. Taking these factors into account, the lower housing prices and rental rates do not necessarily guaranty that housing is affordable for everyone.

The living wage campaign began in New Westminster in 2009 when ACORN approached a city councillor that had a history of dealing with poverty, homelessness and economic equality issues and asked for his support on the living wage issue. The councillor supported the idea and put forth a motion to council to study the issue. Council voted for a staff report to be prepared on the impacts that a living wage policy would have as well as a number of options that the city could consider. The report was presented to council in April 2010 and laid out three possible options.

- Option 1 – maintain the status quo
- Option 2 – establish a living wage policy as developed by the Metro Vancouver Living Wage for Families Campaign. The policy would apply to all full-time and part-time city employees as well as all employees of vendors contracted by the city.

- Option 3 – establish an Ethical Purchasing Policy and Supplier Code of Conduct that would be based on international labour standards. A set wage would not be required for vendors to adhere to.

The report was not supportive of a living wage policy to be implemented and recommended that council consider option three.

During the time that the staff report was being produced, ACORN and the City Councillor that initially tabled the motion actively engaged with the public and the other city councillors to inform and convince them of the benefits of the living wage. During this period, many other organizations also became involved. The New Westminster and District Labour Council supported the campaign with some of its affiliate unions providing funding and meeting space for the campaign. The New Westminster Chamber of Commerce did not oppose the policy; a rare stance for an organization that typically has been vocally opposed to living wages in other cities. In general, the campaign was met with broad support throughout the community. ACORN did much of the groundwork for the campaign and provided the labour for a door-to-door canvas of nearly half the city. Through this canvassing, ACORN was able to collect 1500 signatures from the public on a petition endorsing a living wage. Open information sessions were also organized in order to educate the public and gain feedback. The City Councillor that championed the motion talked to the media on numerous occasions and met with many different groups within the city. By the time that the staff report was completed and sent to

Council, much of the public and the City Councillors were educated on the issue and were in support of a living wage policy being implemented.

On April 28, 2010, only two days after the staff report was presented to Council, Council disregarded the staff reports recommendation to develop an Ethical Purchasing Policy and Supplier Code of Conduct policy and opted for fully implementing a living wage policy that applies to all city employees and all employees working on city contracts. The motion to implement a living wage policy was passed unanimously. The policy was fully implemented on January 01, 2011 with an hourly wage rate of \$16.74 per hour.

It is important to note that although the motion did pass unanimously there were some City Councillors that had reservations around implementing a living wage policy and did not fully support the motion but voted in favour of it anyways. This will be discussed in more detail in the analysis and discussion chapter of this thesis.

4.3 City of Kingston

Kingston has many similarities with New Westminster in terms of economic profile and history of public service employment. Kingston was also a political capital for a brief point in its early history. From 1841 to 1844 Kingston was the capital of Canada, which created a strong public service economy that is still predominant to this day.

While Kingston does have a fairly diverse economy, a large percentage of its labour force works in the public sector. The three largest industries in terms of number of people employed

are health care and social assistance (8,860 people or 14.7% of the labour force), educational services (8,150 people or 13.5% of the labour force) and public administration (7,495 people or 12.4% of the labour force) all of which accounts for 40% of the total labour force (Millier Dickinson Blais, 2013).

The high percentage of the labour force employed in educational services can be attributed to three large post-secondary schools as well as several smaller, specialized schools that are located in the city. Queen's University is by far the largest with an estimated 15,000 annual full-time students. The Royal Military College and St. Lawrence College are also located in Kingston. Kingston is also home to nine prisons of various sizes with Kingston Penitentiary being the largest and the oldest prison in Canada. This prison system accounts for a large percentage of the public sector jobs.

Manufacturing makes up a relatively small percentage of employment in the city with only 4.7% of the city's workforce employed in this sector; well below the provincial average of 13.9% (Millier Dickinson Blais, 2013). With the recent restructuring the economy in Ontario away from manufacturing, Kingston's relatively low percentage of its labour force in that industry has allowed it fare well in recent years compared to the rest of the province. The small percentage of the workforce in manufacturing coupled with the higher than average proportion of public sector jobs helped insulate the city from the negative effects of the recent economic recession.

Kingston's median family income is high in relation to the provincial and national median income. For 2010, Kingston reported a median family income of \$77,140 while the provincial and national median incomes were \$71,540 and \$69,860 respectively (CFKA, 2012). However, the degree of disparity of Kingston's family incomes is notable. There are nearly twice as many families that have a household income of over \$75,000 than families that earn less than \$35,000 a year (Canadian Centre for Policy Alternatives, 2011). This disparity has resulted in 16% of Kingston residents subsisting below the poverty line and 13% of residents identified as working poor (Canadian Centre for Policy Alternatives, 2011).

Kingston has also been dealing with issues regarding availability and affordability of housing for low-income households. While housing is affordable for skilled and specialized workers, lower income households are finding it difficult to obtain suitable housing. Vacancy rates for rental units have consistently gone down over the last decade. Kingston has consistently had a vacancy rate well below average for Ontario cities of similar size. The city has the third lowest vacancy rate and the third highest rent for a three-bedroom apartment in the entire province with only Toronto and Ottawa having higher rental rates for this housing type (Kingston Community Roundtable on Poverty Reduction, 2009).

There are a number of factors that can be attributed to this declining vacancy rate. Although housing starts have remained relatively steady over the past decade, the majority of new housing construction has been single detached homes resulting in an increased demand

for the existing smaller units (SHS Consulting, 2011). This lack of diversity in housing types disproportionately effects low-income families that rely on these less expensive housing units.

Another pressure being placed on the vacancy rate in Kingston is the student population from the major post-secondary institutions in the area. Both Queen's University and St. Lawrence College have lower student housing than is required, forcing students to seek accommodations off campus. In 2009, 78% of the student population were required to seek accommodations in the city's private rental market; creating additional pressures on an already tight rental market (Kingston Community Roundtable on Poverty Reduction, 2009; SHS Consulting, 2011). This demand for off campus student housing results in direct competition between students and lower income permanent households.

Kingston also has a high percentage of renters that are in core housing need. Households that fall within the first income decile of \$15,337 or less annually account for 22% of rental households (SHS Consulting, 2011). One in two rental households spend more than 30 percent of their household income on housing while one in every five rental households spends more than 50% of their pre-tax household income on housing (CFKA, 2012; Kingston Community Roundtable on Poverty Reduction, 2009). These statistics indicate that the housing affordability problems that Kingston faces are not only issues related to the supply of housing but is also an income issue. With the proportion of the low income population increasing, these affordability

problems will only increase and must be addressed from both a supply and an income perspective.

The living wage campaign Kingston goes back to the municipal election of 2006 when the incumbent mayor, who was politically right leaning, was running against a liberal left city counsellor. Pressure from various community and social groups to address poverty in the city prompted the mayor to promise the creation of a task force on poverty. The incumbent mayor won the election and city council voted on a motion to set up the Kingston community roundtable on poverty reduction. The roundtable was tasked with producing a report containing recommendations for the city to combat poverty.

The Kingston Community Roundtable on Poverty Reduction was a committee that consisted of volunteers from the community and was marginally funded by the city. The volunteers on the roundtable included local residents as well as representatives from the Kingston and District Labour Council, the United Way and the Sisters of Providence, which is a religious organization that has been actively involved in social initiatives within the community.

The roundtable reported back in 2007 with a number of recommendations, one of which being the implementation of a municipal living wage policy. The roundtable then spent the following three years studying the initiatives that were recommended in the report. In 2010, a new mayor was elected and the following year city council terminated the roundtable. Most of the initiatives were then taken over by the United Way however, many of the roundtable

members felt that they were better suited to continue with the living wage initiative. These members created the Living Wage Kingston campaign and focussed on educating the public and city councillors on the issue. The campaign organizers contacted the CCPA who supplied them with much of the information on living wages that they required. It was also decided by the campaign organizers that the CCPA formula for calculating the wage rate be used. The calculated wage rate for Kingston in 2011 was \$16.29.

In addition to the implementation of a living wage, the campaign is also seeking to have the city use the living wage rate as a qualification threshold for offering subsidies to other city run social programs. Currently, the city offers reduced prices for bus passes and admission to city run facilities to residents whose income falls below the LICO cut-off. The LICO cut-off is much lower than the living wage rate, which would result in far more residents being eligible for these subsidies.

Some city councillors were very supportive of the idea of a living wage and became involved during the initial stages of the campaign. In 2012 one of these councillors brought a motion before council to direct staff to produce a report on the effects that a living wage policy would have on the city, the impact that it would have on poverty and recommendations on implementing a policy. The report was due to be completed in the fall of 2013. While city staff was working on the report, the campaign organizers made a concerted effort to inform the public and get widespread support for a living wage policy. They brought in prominent experts

on income inequality and living wages to have open discussions and held two televised discussions that aired on the local cable channel. The first televised event was a public discussion with experts on living wages and was meant to inform the public and answer any questions they might have about living wages. The second one was a debate between an economist with the CCPA and a city councillor; who holds a degree in economics; that is opposed to implementing a living wage. They were also involved in an annual Labour Day parade that takes place in the city, using the event to give speeches and provide information on living wages.

In September of 2013, staff submitted their report to council. The report calculated an increase demand of \$800,000 in annual operational costs to cover student wages alone. An additional \$1.1 million would be required if the city adopted the living wage as a low-income subsidy benchmark. The report did not include estimates of potential increases in contracted services. With a total estimated cost of approximately \$2 million, the staff report recommended that city council do not move forward with implementing any kind of living wage policy. As of yet, there has not been a motion put forward to council to adopt a living wage policy. With municipal elections occurring in the fall of 2014, the campaign organizers decided to wait until after the elections to try to put the motion before council in hopes that the election will result in more progressive councillors on city council that would support a living wage.

4.4 City of Hamilton

Hamilton has a long history as a steel-producing city, which has resulted in a manufacturing industry that accounts for 12% of all the jobs in the city. Manufacturing is second only to healthcare and social assistance, which accounts for 13%. These industries are closely followed by retail trade at 11% and educational services at 9% (Government of Canada, 2013b). The high percentage of jobs in healthcare and education are largely due to a number of major hospitals in the city such as Hamilton General Hospital and McMaster Children's Hospital and McMaster University. The Hamilton Health Sciences network, which includes 6 hospitals, is highly affiliated with McMaster University making Hamilton a preeminent health research hub in Canada.

With over a third of the city's workforce employed in manufacturing, healthcare and educational services, the city has gained a high density of both public and private labour unions. Many of these labour unions have a long history within the city and have contributed to a population that is sympathetic to wage related social issues.

The city predominantly consists of single-detached houses, which accounts for 58% of the city's housing stock. In comparison, low and high-rise apartments only account for 25% of the housing stock (Government of Canada, 2012b). The city's vacancy rate in 2012 was 4.2% and average rent was \$747 a month (CMHC, 2012b). However, even with the comparatively high vacancy rate and low monthly rental rates, housing affordability is still a consistent problem for

the city. While the median household income in 2010 of \$76,730 for the city was higher than most surrounding cities, many households on the lower end of the income scale still found housing costs to be unaffordable (Government of Canada, 2012d). In 2006, 44% of renter households spent more than 30% of their household income on shelter while 21% spent more than 50% of their income on shelter. This is in stark contrast to homeowners where only 7% were considered to be in core housing need (Wetselaar & Mayo, 2010).

The City of Hamilton has been considering a living wage policy since 2006 however; it was not until December of 2011 that a living wage campaign was officially launched. In 2005, the Hamilton Roundtable for Poverty Reduction (HRPR) was formed which receives its funding from the City of Hamilton, the Hamilton Community Foundation and private donations. The roundtable developed recommendations for reducing poverty in the city; one of which was the Sustainable Wage and Benefits recommendation. This recommendation was the precursor to the living wage policies that are now being explored. The Sustainable Wage and Benefit motion was presented to council in 2006 and sought to include a fair wage policy in the bidding process for service contracts. Council directed staff in the Emergency and Community Services department to produce a report on the impacts of implementing such a policy. In January of 2007, the item was changed to a living wage and moved to the Committee of the Whole. A preliminary report was presented in 2010 and a cross-departmental staff working group was formed to develop and analyze a range of living wage options.

The official start of the campaign was on December 09, 2011 when the Hamilton Roundtable for Poverty Reduction created the Living Wage Working Group. Their objective was to hold public information sessions and the creation of a website dedicated to the living wage in Hamilton. The website provides information on living wages and ways in which one can get involved in the campaign. The group collaborated with the CCPA to develop a living wage calculation for the City of Hamilton. The calculation was based on the CCPA formula, which has become the standard formula used in campaigns across Canada. The rate calculated for Hamilton is \$14.95 per hour.

In addition, the Living Wage Working Group has been engaging the Hamilton Wentworth District School Board (HWDSB), the Hamilton Wentworth District Catholic School Board (HWDCSB), McMaster University and Mohawk College as well as businesses in the city in an effort to convince these organizations to become living wage employers. The working groups efforts have paid off recently when the Hamilton-Wentworth District School Board (HWDSB) announced in March of 2013, that it is becoming the first elected body in Ontario (and largest school board in Canada) to declare itself a living wage employer (Cooper, 2013).

The report by the city's working group was completed in March of 2013. The group agreed with the methodology used by the Living Wage Working Group and the CCPA and based their analysis for the report on the \$14.95 wage rate. The report showed that 83% of the city's workforce currently earns more than a living wage. The 17% of city employees that do not earn

a living wage consists entirely of part-time, casual and student workers accounting for a total of 533 city employees. All full-time staff for the city is already making a living wage.

In July of 2013, Hamilton City Council moved to support the principle of a living wage policy. Council directed the city's working group to further investigate the status of part-time city workers, and contractors to the city, in order to ascertain the gap between their pay and a Hamilton Living Wage and determine the additional budgetary costs that the city would incur by including them in a living wage policy. City staff has also been directed to work with the Corporate Services Department to identify how the city's purchasing policy could be used to encourage employers contracted for city services and goods procurement to offer a living wage to their employees.

4.5 Township of Esquimalt

With a population of 16,209 and a total physical area of 7.08km², Esquimalt is the smallest city in this study. It is also the closest city to attempt to pass a living wage policy to New Westminster, the only Canadian city to implement such a policy. This close proximity to New Westminster may have contributed to the city's interest in living wages.

The city's workforce is primarily employed in public administration, which accounts for 20%. Healthcare and social services and retail trade come in at a distant second and third with 12.3% and 9.6% of the workforce employed in these sectors. The manufacturing industry in Esquimalt is fairly small accounting for only 3.3% of the workforce (Government of Canada,

2013e). Esquimalt is also home to the Royal Canadian Navy's CFB Esquimalt and the Esquimalt graving dock, both of which are essential to the city's local economy.

Housing in the city is mainly low and high-rise apartments which account for 51.6% of the housing stock while single-detached housing only accounts for 25.2% of the housing stock (Government of Canada, 2012a). As of 2012, the vacancy rate for the city was 5.1%; far higher than the rate for the Victoria CMA of 2.7%. Average rent for the city is also considerably lower at \$820 compared to \$891 for the region. Average rent for three bedroom units was \$1087, which was the lowest in the region (CMHC, 2012f). The city is one of thirteen municipalities that make up the Central Regional District, which is the level of government that deals with social housing and housing affordability. As of 2006, 12.8% of households in the region were in core housing needs (Pauly, Jackson, Wynn-Williams, & Stiles, 2011). The lower rents and higher vacancy rates would suggest that housing affordability issues are less pronounced in Esquimalt however, data specific to the Township of Esquimalt is unavailable.

Esquimalt attempted to implement a living wage policy in 2011. The living wage issue in Esquimalt started when, in August of 2010, a city councillor put forth a motion to council to study the impact that a living wage would have in the community. City staff reported back in December with a recommendation that a policy be implemented that provided a living wage for all full-time, part-time and casual workers for the city. Additionally, the report suggested that a policy that included a living wage provision within the tendering process for contracts from

private firms be developed. The report used the CCPA formula developed for the Greater Victoria Area and calculated the wage rate at \$17.31 per hour.

In January of 2011, a motion to implement the report's recommendations was put before council. Prior to council voting on the motion, members of the public were allowed to address council on the issue. A total of thirteen residents spoke before council with the majority overwhelming opposed to the proposition. Of the thirteen residents, only three supported the implementation of a living wage. These three residents included one person that was involved in the formulation of the living wage calculation and two students from the University of Victoria; who presumably represented a group that would benefit directly from the policy.

After the public consultation session, council debated the issue at length. With no consensus in sight, two city councillors that were moderately supportive of the policy suggested amendments to the recommendations. Three amendments were added to the motion:

1. That staff be directed to develop a Living Wage policy which will set a goal for full time and part time employees of the Township of Esquimalt that will not apply directly to wages set in our Collective Agreement.
2. That the living wage policy will only apply to contracts with the Township longer than six months in duration or over \$100,000 in value;

3. That the hourly rate for the living wage policy and the costs and benefits of the policy to the Township will be re-examined every three years as part of the Township's regular review of compensation.

Council voted in favour of city staff to further develop the policy to include these three amendments. These amendments significantly altered the original resolution and resulted in a policy that covered no additional workers since the township already had policies in place that governed wages for the workers for which the living wage policy would apply.

In April of 2011, city staff reported back to council stating that the amendments to the motion could not be translated into policy. City Council then voted on the original motion, which was defeated.

The Township of Esquimalt's debate and subsequent vote on a living wage policy was started by a member of city council and had no other organizations actively involved. For this reason, it cannot be considered a campaign. However, this case study was included in this thesis because it was one of the few Canadian municipalities that have actually debated and voted on a living wage policy. Additionally, Esquimalt is also one of the few municipalities that had a strong turn out of residents that voiced their opposition of the policy to city council.

4.6 Region of Waterloo

The Region of Waterloo experienced a living wage campaign that was first initiated in 2003 and ended in 2010. The region was one of the first municipalities to engage in a discussion

on the issue and to actually have policies voted on in council. When the campaign started, it was still many years away from when New Westminster, BC implemented Canada's first municipal living wage policy. Being one of the first municipalities to address such an issue that is often quite contentious, it is not surprising that it did result in a failed campaign. However, the Waterloo campaign was very important in starting a discussion on an issue that is now being considered in many cities across Canada.

The region consists of the cities of Kitchener, Cambridge and Waterloo and the townships of Wellesley, Woolwich, Wilmot and North Dumfries. The total population of the region is 507,096 with the majority of the population residing in the Kitchener-Cambridge-Waterloo census metropolitan area. The townships outside of the census metropolitan area account for only 6% of the regions total population.

The region's labour force is very diverse and has made the region home to major corporations in manufacturing, insurance and the high tech industry. The region is considered to be Canada's Technology Triangle and has produced many technology start-up companies as well as attracting major corporations in this industry. The region is also home to three major post-secondary institutions that are crucial to the local economy. While the high tech industry is a crucial component of the economy, it is not one of the main industries in the region. Manufacturing has always been the region's economic base and still employs 19% of the workforce. This is closely followed by retail trade at 11.3% of the workforce. Healthcare and

social services account for 9% of the workforce and educational services account for 8% (Government of Canada, 2013a).

Median family income for the region was \$77,040 in 2010 which was well above the national average of \$69,860 (Government of Canada, 2012d). When the median incomes are broken down by income range, the discrepancy between the number of households in the higher income level and the lower income level become apparent. Based on 2006 census data, households with incomes above \$100,000 account for 25% of all households. The income bracket that accounts for the second highest percentage of the population are households whose income is between \$30,000-\$40,000 which makes up 9.5% of the total households (Region of Waterloo, 2007).

The discrepancy in income has played a role in housing affordability issues in the region. Based on 2006 census data, there were still 23% of households in core housing need in the region. This percentage is roughly split evenly between rental and owner-occupied households (Region of Waterloo, 2007). Additionally, the region's vacancy rate has fluctuated around 2%, reaching a high of 2.6% in 2012 (CMHC, 2012c). The majority of housing type in the region are single-detached houses at 55.8% while low and high rise apartments make up only 23.4% of the housing stock (Government of Canada, 2012c). This lack of available apartment units in the region also adds to housing affordability issues, particularly for low-income families.

The living wage campaign for the Region of Waterloo was initiated by a non-profit, community-based organization whose mandate was to reduce poverty within the region. Opportunities Waterloo was started with a community project fund of \$1.1 million provided by Human Resources and Skills Development Canada and soon after gained charitable status and is now funded by other charitable foundations and private businesses. The organization wrote a report in 2003 entitled *A Living Wage for Waterloo Region* which advocated for a living wage to be implemented based on the needs of a family of three (Skillen, 2003). In 2007, Opportunities Waterloo approached Waterloo Regional Council asking them for their support. The living wage calculation was modified to apply only to a single individual working full time instead of for a family. The reasoning behind the change was that the lower wage required for just a single individual would be an easier sell to regional council and to the residents of the region. The final calculated wage for a single adult working full time was \$13.62 per hour. The wage was calculated based on an hourly rate that would bring an individual above the annual LICO.

In August of 2008, Regional Council directed staff to develop a report on living wages. In October of that same year, council agreed to commission a private consultant to prepare a detailed report on the ramifications of a living wage. The report was scheduled to take one year, during which time, council agreed to gauge public opinion on the matter by holding public consultations. In September of 2009, eight speakers addressed council on the matter. All but one of the speakers supported the implementation of a living wage policy. In December of

2009, the Kitchener-Waterloo Chamber of Commerce and the Wellesley and District Board of Trade both wrote letters to council voicing their opposition to the implementation of a living wage policy. What was clear from the public consultations was that there was much more support for living wages from the public than there was opposition to them.

The report on the implications of living wages was released in early December of 2009 and urged council to adopt a living wage policy. The report outlined four possible options that the council could choose from:

- Option 1 - do nothing or defer implementing any living wage policy
- Option 2 - adopt a living wage policy for the Region of Waterloo that requires a living wage for all non-student regional employees and create a public education program encouraging other employers across the region to adopt a similar living wage policy
- Option 3 - implement a living wage policy for the Region of Waterloo that (i) requires a living wage for all non-student regional employees, (ii) gives preference to bidders on specific regional contracted services who agree to pay a living wage for all non-student employees who would work at regional facilities, and (iii) create a public education program encouraging other employers across the region to adopt a similar living wage policy
- Option 4 - implement a living wage policy for the Region of Waterloo that requires a (i) living wage for all non-student regional employees, (ii) that all persons contracting with

the region for specific services (e.g. security, housekeeping, cafeteria, ground keeping) pay a living wage for all non-student employees working at regional facilities, and (iii) create a public education program encouraging other employers across the region to adopt a similar living wage policy.

On January 6, 2010, council voted to defer the decision until after the election in the fall of that year. The vote was split 8-7 in favour of deferring however most of the councillors spoke out against a living wage policy. Only one of the councillors openly supported living wages and spoke in favour of them prior to the vote to defer. One week later, council decided to vote on the motion to implement a living wage policy instead of deferring the motion. The vote resulted in a 12-4 decision not to proceed with implementing any policy on living wages.

The vote ultimately ended the living wage campaign for the region. While the supporters throughout the campaign still advocated for living wages, there was very little discussion on the issue or concerted effort to keep the campaign going. Recently, there has been some renewed interest in living wages and a campaign to get private businesses to voluntarily pay a living wage has been initiated.

4.7 City of Ottawa

Ottawa has the highest median household income and lowest proportion of low-income households of all the municipalities that have attempted a living wage campaign. The median family income within the city was \$85,635 in 2010, well above the Ontario provincial median of

\$71,128 and the national median of \$67,044 (Government of Canada, 2013g). In addition, Ottawa fares better than the provincial and national family incomes in every income decile. The proportion of families within the bottom half of the income deciles account for 35.3% of households while the top half accounts for 64.7%. This is in strong contrast to the provincial average with 46.5% in the bottom half and 53.5% in the top half (Government of Canada, 2013g). The proportion of low-income households in Ottawa stands at 11.7%, considerably lower than the provincial and national averages of 13.9% and 14.9% respectively.

Being the national capital, it is unsurprising that the sector that accounts for the highest percentage of Ottawa's employment is public administration. This sector alone accounts for 23% of the jobs in the city and far exceeds the next highest industries of health care and social assistance and professional, scientific and technical services which each account for 10% of the occupations in the city. These industries are closely followed by educational services at 8% (Government of Canada, 2013c). These industries, which typically pay higher wages than most other industries, account for nearly half the jobs in the city. This composition of the city's workforce is likely the reason for the higher than average median income.

Housing in Ottawa is relatively affordable. Average rent for the city was \$1,003 a month while the average for a three bedroom unit was \$1,462 (CMHC, 2012d). While these rents are comparatively high, the higher median household income for Ottawa makes housing more affordable than the other case study cities. The city also has a vacancy rate that is comparable

to the other case study cities. In 2012, the city's vacancy rate was 2.5%, putting it slightly below the average vacancy rate of 2.8% for the case study cities (CMHC, 2012d).

Ottawa's living wage campaign began in 2009 when the city's Community and Protective Services Committee developed a report entitled the Ottawa Poverty Reduction Strategy. The report highlighted the persistent poverty that was occurring in a segment of the city's population and drafted sixteen recommendations that the city should adopt in an effort to reduce this poverty. Prior to the release of this report, the social justice organization ACORN approached the committee and advocated for a living wage policy to be included in these recommendations. ACORN had been actively involved in many poverty reduction campaigns in the city and had been advocating for a living wage policy for many years. The committee agreed to include a living wage policy as one of its recommendations and developed the policy in consultation with ACORN.

The living wage was based the LICO formula and was calculated at \$13.25 per hour without benefits or \$11.90 with benefits. The report recommended that the policy apply to all full and part-time city employees as well as all employees working for companies that have contracts with the city.

After the release of the report, ACORN played a major role in the campaign. They provided much of the labour required to go door-to-door in order to engage and educate the public on living wages. Additionally, they held meetings with public officials and the media to

inform them of the issues and gain support. Support for the campaign also came from some labour unions that publicly endorsed and contributed financial assistance for the campaign. The National Union of Public and General Employees (NUPGE) and the Ontario Public Service Employees Union (OPSEU/NUPGE) were two of the largest unions that provided this assistance.

The report went before council in February of 2010 at which time council voted unanimously to except fourteen of the sixteen recommendations. The living wage recommendation was one of the two that did not get accepted. Instead, council voted in a 14-7 split to have city staff research and report back on the implications that a living wage would have on the city. City staff reported back in June of 2011 recommending that council does not approve a living wage policy citing the high cost that would be incurred to the city's annual budget. The report estimated that the policy would affect 477 city employees at a cost of \$1.7 million annually and an additional \$750,000 in increased contract costs for a total of \$2.45 million annually. Based on this report, city council voted not to implement a living wage policy essentially ending the campaign.

4.8 City of Calgary

Calgary's living wage campaign was initiated from the advocacy of several organizations that were concerned with fair labour practices. This differed from many of the other campaigns that evolved from anti-poverty initiatives. While the Calgary campaign was meant to address poverty, the main focus was on creating fair and equitable wages for workers.

The median household income in Calgary is considerably higher than the national average. In 2010, Calgary's median household income was \$83,669 while the national median household income was \$67,044. It was also slightly higher than the provincial median of \$80,271 (Government of Canada, 2013f). During this same year, the proportion of low-income households was 10.9%, far lower than the national figure of 14.9% and on par with the provincial figure of 10.7% (Government of Canada, 2013f). This high median income and relatively low percentage of low-income households is likely one reason why the focus of the campaign was not strictly directed towards poverty issues.

The city has a diverse economy with many industries that typically pay high wages. Professional, scientific and technical services is the largest industry and accounts for 11.9% of the jobs in the city. Healthcare and social services and construction are also large industries in the city, which account for 9.3% and 8.5% respectively. Additionally, Calgary is the only city of these case study cities that has mining, quarrying and oil and gas extraction as a large segment of the economy. This sector employs 6.3% of the city's workforce while the other case study cities have less than 1% of their workforce employed in this industry (Government of Canada, 2013d).

The high rental costs and low vacancy rate makes housing affordability and availability a persistent concern for the city. In 2012, Calgary had the third highest average rent among major Canadian cities (Turner, 2012). Average rent in the city as of 2012 was \$1,040 while the average

for a three bedroom unit was \$1,098 (CMHC, 2012a). A 2008 report on housing affordability commissioned by the city found that 37% of all renter households and 12% of all owner households in the city were experiencing core housing need (Social Research Unit, 2008). Vacancy rates for rental properties are relatively low at 1.3% for 2012. This rate is down from 1.9% in 2011. Additionally, the number of rental units decreased by 4% between 2009 to 2012, placing additional pressures on both the vacancy and rental rates in the city (Turner, 2012).

Calgary's living wage campaign grew out of a movement started in 2003 that advocated for the city to develop a contracting and procurement guideline for companies to adhere to fair and ethical practices when bidding on city contracts. The grassroots advocacy coalition No Sweat Coalition was the group behind the movement and consisted of a number organizations that included the Calgary and District Labour Council (CDLC), Women's Centre (Calgary), Oxfam with additional community support from the University of Calgary Faculty of Social Work, Calgary Multicultural Centre and the Council of Canadians. Vibrant Communities Calgary (VCC) joined the coalition in 2005 and brought with it a history of research and advocating for living wages. From pressure from this coalition, a motion was passed in council in 2004 that approved the development of a Sustainable Ethical and Environmental Purchasing Policy (SEEPP). The policy required that items bought by the City be produced in accordance with established international environmental standards and guidelines and applicable codes of conduct. The

research and development of the policy was completed in 2007 at which point council voted to implement the policy as a pilot project.

When this policy was implemented, at the urging of Vibrant Communities Calgary, city council directed the city's finance committee to report on the impacts of including a living wage clause in the SEEPP policy. At this time, feedback on the issue from numerous organizations was accepted. The Labour Council, as well as many of the other members of the No Sweat Coalition, gave presentations to council in support of a living wage while the Canadian Federation of Independent Business countered with presentations that were highly critical and opposing any living wage policy. Somewhat surprisingly, the Calgary Chamber of Commerce supported a living wage by becoming a living wage employer itself.

The report showed that there were 682 city employees that were paid less than a living wage; almost all of them were part-time or casual workers. Included in the report was a survey that had been sent to 155 of the city's service providers. Of the 55 respondents, 89% of them paid their employees at least a living wage. Additionally, 86% of the respondents stated that they would continue to bid on city contracts should a living wage policy be implemented and the same number of firms said that it would not have any affect on their hiring practices (Cook, 2008).

In April of 2008, city council voted to implement a living wage policy and directed staff to develop a range of options and report back by January of 2009. Based on a review of best

practices and in consultation with stakeholders, the authors of the report decided to use the LICO formula, which calculated the wage rate at \$12.00 per hour or \$13.25 per hour without benefits. Three options were developed that determined which workers would be covered:

- Option 1 - City of Calgary Regular Employees – this policy option covers only City of Calgary regular employees and does not cover temporary, casual and seasonal workers. This option covers roughly 14,000 city employees however none of those covered were making less than a living wage. This option would add no additional costs to the city's budget.
- Option 2 - All City of Calgary Employees – this option would cover all city employees including temporary, casual and seasonal workers. There were 682 employees not making a living wage that would be covered under this option. The estimated additional costs to the city budget would be \$800,000 to \$1,000,000 per year.
- Option 3 - All City of Calgary Employees and Service Contractors – this option would cover all city employees including temporary, casual and seasonal workers as well as employees working on service contracts for The City of Calgary. In 2008, the city held 3,500 service contracts with an estimated 1,400 workers that were working directly on City of Calgary contracts. Only 12% of these 1,400 workers are earning less than the living wage.

In March of 2009, city council decided on option 1 as a possible policy to implement. This option covered no additional workers and was decried by both supporters and opponents to living wages as merely a symbolic gesture that did not help alleviate poverty in any way. On April 7, 2009, city council voted on the motion to implement this option. The vote was split 8-6 to reject the motion, essentially ending the living wage campaign in Calgary.

5 Analysis and Discussion

5.1 Introduction

This chapter uses the data collected from the in-depth interviews in conjunction with the relevant literature to analyze and discuss living wage campaigns in the context of this thesis' main research question:

What factors influence the success or failure of living wage campaigns in Canadian cities?

The interviews highlighted several specific factors that the interviewees felt were influential to their respective campaigns. Upon completion of the interview phase of this thesis, the factors were grouped into four distinct themes: the living wage calculation, campaign structure and networks, political factors, and urban socio-economic context. These factors and their corresponding themes are discussed in detail below. The initial development of these factors was based on discussions found within the existing literature on either living wages, housing affordability or regime theory politics. Specific questions were designed to explore these factors with the interviewees and as new factors arose from the interviews, additional questions were added to subsequent interviews.

5.2 The Living Wage Formula

This section primarily explores the way in which the campaign justifies the wage and educates the general public, city councillors and potential coalition partners in an effort to gain support. In one of the initial interviews conducted, the participant expressed that the formula used to calculate the living wage played an important role in the success of the New Westminster campaign (Interviewee 12). The question “Do you feel that the formula used in the calculation for the living wage rate was an important factor in gaining support for the living wage?” was then added to all subsequent interviews. Interview participants agreed that the formula did, in fact, play an important role in the campaign by gaining broader support from different organizations and giving solid justification to the hourly rate of the living wage. Additionally, the number and type of positions that would be covered by the living wage policy was also seen as an important factor.

For both the New Westminster and Kingston campaigns, the CCPA formula was used to calculate the living wage. Both campaigns also sought to have the living wage policy apply to all full time and part time city employees, including students, as well as all employees working on city contracts. The formula used in the other Canadian cities that have attempted living wage campaigns have varied with Hamilton and Esquimalt using the CCPA formula and Calgary, Waterloo Region and Ottawa using the low-income cut-off (LICO) formula.

The literature on living wages does not explicitly look at the calculation used in living wage campaigns and its influence on the success of the campaign. However, most of the interviewees felt that the CCPA formula does have an impact on the success of the campaign.

5.2.1 Getting the calculation right

The CCPA formula plays an important role in living wage campaigns. Since the formula is designed to cover the living costs of a family of four, it appeals to a broader and more diverse pool of organizations than the LICO formula, which is based on the living cost of a single individual. Additionally, the high level of detail and breakdown of living expenses that the CCPA formula is based on makes it easy to justify the final calculated wage and difficult for living wage opponents to criticize.

The initial respondent that expressed the importance of the CCPA formula explained that because the formula was based on a family of four, they were able to get support from organizations that are not typically involved in living wage campaigns (Interviewee 12). This interviewee argued that since the guiding principles for the formula used included escaping severe financial stress, healthy childhood development and enabling the family to participate in the social, civic, and cultural lives of their community, it *“created a space for a wider alliance of organizations that included health promotion organizations and child poverty organizations”* (Interviewee 12).

As many interviewees pointed out, the campaigns that used the LICO formula, which is based on a single individual instead of a family, failed. Waterloo Region, Calgary and Ottawa were cited by four separate interviewees as examples of cities that attempted to pass policies based on a living wage calculated for a single individual and failed (Interviewee 08; 10; 12; 13). Basing the wage on an individual did reduce the wage, making it more politically palatable however by doing this, the campaign was unable to gain broader support from organizations that advocate for social issues other than labour rights and poverty. The interviewees felt that this rationale that led many of these failed campaigns to adopt a wage based on an individual did not outweigh the benefits of using a wage based on a family.

The impact that the CCPA formula has on gaining support for the campaign from the general public is up for debate. One interviewee argued that by including children in the calculation, the general public is able to accept the campaign as a solid initiative that impacts child poverty (Interviewee 07). This interviewee pointed out *“we keep talking about these stats and it’s my personal opinion that when they say 25% of children are living in poverty; people hear these things so many times, but what does that really mean? It means families are living in poverty”* (Interviewee 07). However, other interviewees felt that the CCPA formula had little impact on gaining support from the general public (Interviewee 05; 08). One participant that was involved in door-to-door canvassing for the New Westminster campaign felt that although

the formula might get some of the coalition members more excited about the issue, *“in the streets” (Interviewee 08)* it had little overall effect.

The level of detail in the CCPA formula also made it difficult to question the validity of the calculated wage and enabled campaign organizers to justify the proposed wage rate. The formula clearly broke down all the expenses required for a family to live and participate in their community. As two interviewees pointed out, the specificity of the formula clearly laid out *“what the living wage was but most importantly what it wasn’t” (Interviewee 08)* (Interviewee 07; 08). The fact that the calculation was transparent and showed that the campaign organizers had *“done their homework” (Interviewee 17)* and they were not *“pulling numbers out of thin air” (Interviewee 17)* made it very difficult for opponents to criticize the accuracy of the wage. One interviewee pointed out that *“no opposition ever questioned the numbers when I walked them through it” (Interviewee 01)*.

The failed campaigns in Waterloo, Calgary and Ottawa all used the LICO formula. While the lower wage rate was more politically appealing, it was not based on the specific expenses required for an individual. Interviewees felt that this allowed for opponents to question the credibility of the calculated wage rate (Interviewee 08; 10; 12; 13). As one interviewee stated *“[T]here’s nothing that goes wrong faster as when somebody finds out that your information is not credible” (Interviewee 01)*. In this regard, campaigns that use the CCPA formula are able to avoid criticism of their wage rate by developing a formula that is transparent, location specific

and accurately reflects the living expenses of a family. Only one participant mentioned that the specifics of the formula opened the wage rate up to criticism stating, *“they [those opposed] don’t like seeing that we’ve allocated funding for a vacation. They get up in arms about those kinds of things, which is very frustrating. If you’re poor you shouldn’t have a holiday or I don’t have a holiday so why should they”* (Interviewee 05).

The wage being calculated for the specific city or region also resonated with many supporters of the living wage. The interviewees generally expressed that this made the wage fair and added to the validity of the calculation. New Westminster decided to use a calculation based on the Region of Vancouver instead of the city itself. This became a point of contention for one city councillor who felt that it should be based on the city (Interviewee 06). This councillor expressed concern with using the regional based rate because rental rates in New Westminster were some of the lowest in the region and therefore the living wage rate would be less if calculated specifically for the city. The same councillor also commented that daycare costs were also flexible depending on both their location and whether they were private or public (Interviewee 06). Another councillor countered these arguments by saying that the city was very much interconnected with the region and that many of the workers within the city live in other cities within the region and therefore *“the economic issues that people are dealing with are being dealt with on a regional scale”* (Interviewee 01). Additionally, the councillor said that it was decided that development of a calculation specific to New Westminster would be too

onerous for their finance department to undertake especially considering that the final wage would likely result in a very slightly lower wage.

While the comments by the interviewees and the failed results of campaigns that used the LICO formula do not necessarily indicate that the CCPA formula will lead to a successful campaign, it does suggest that the formula used is one factor that is influential to its success. Waterloo, Ottawa and Calgary all used the LICO to determine the wage rate and all three resulted in a failed campaign. The four other cities used the CCPA formula. Of these four, the New Westminster campaign was successful and the Kingston and Hamilton campaigns are still ongoing. Esquimalt is the only city to use the CCPA formula that did not result in the passage of a living wage policy. However, the Esquimalt living wage was a motion voted on by council but did not consist of a concerted campaign; making a comparison between it and the other cities somewhat tenuous.

5.2.2 The number and type of workers covered

While the amount of workers affected by a living wage is rarely published and fluctuates relatively frequently, it is generally a small number. This number can vary depending on the type of policy passed by city council. In most of the Canadian cases, the living wage policies that have been advocated for covered all full-time and part-time municipal workers, as well as any workers contracted to do work for the city.

The number of those affected by a living wage policy did play somewhat of a role in influencing the decision-making process for the city councillors. For those that were opposed to the living wage, the small number of people that it would affect made them question why they were wasting time with the policy. One councillor from New Westminster who was opposed to the living wage ultimately voted in favour of it stating that the small number affected by the policy *“played into my decision for not going against it”* (Interviewee 06). While other interviewees opposed to the living wage said that the small number of people affected ultimately meant that the policy amounted to nothing more than a symbolic gesture and did not result in any real gains for those living in poverty (Interviewee 04; 09).

However, those that supported the living wage felt that even the gesture was important due to the message that it sent. Two interviewees expressly felt that the living wage set a precedent and encouraged businesses in the city to pay at least a living wage to their employees (Interviewee 08; 15). While others argued that the increased wages for those affected, although relatively small, would encourage higher wages for other workers within respective industries overall (Interviewee 03; 08). Raising wages in one segment of an industry can put pressure on employers to raise wages across the entire industry in order to retain employees (Luce, 2004).

The most common argument that those supportive of living wages gave in response to concerns that the living wage covered too few people to make any substantial effect on poverty

was that it was the right thing to do from a moral standpoint (Interviewee 01; 10; 14; 15; 16). One campaign organizer said that most of the people that he spoke to in the general public supported the living wage on moral grounds as well. Members of the general public that this interviewee spoke to generally agreed that their taxes should go towards paying a fair wage (Interviewee 08).

Another contentious issue that those opposed to the living wage discussed was the inclusion of students in the policy. Both city councillors that opposed the living wage felt strongly about this point arguing that by including students, it would put undue pressure on the city's budget (Interviewee 06; 09). One councillor argued that if students were included in the living wage policy, the city would have to decide to either increase taxes to accommodate the additional expense or hire fewer summer students (Interviewee 09). Another councillor argued, *"they don't necessarily have a skill set yet, they are learning how to be in the employment field"* (Interviewee 06) and therefore should not receive such a high wage in exchange for the work experience that they are gaining (Interviewee 06).

For those that supported the living wage, the argument commonly used was that students should be included because many of them had expenses that justified them making the higher wage (Interviewee 01; 08; 13). One interviewee pointed out that many students hired by the city are college or university students that do not live at home with their parents and face tuition rates that are far higher than they have been in the past. This interviewee felt

that many of those opposed to students being included were misguided as to the reality that students face today and that the costs required for an education are far greater than when many of these older opponents to the living wage went to school (Interviewee 01).

The number and type of employees covered by the living wage played a larger role into the decision for councillors that were opposed to the living wage. While supportive councillors expressed that they would have supported the living wage regardless of how many people were covered, councillors opposed to it felt strongly that it was largely a symbolic gesture that does not alleviate poverty or target the workers that are in need.

5.2.3 Framing the message: Poverty vs. equality and fairness

The way in which living wage campaigns frame their message is an influential factor to their success. Collective action framing is a way of simplifying and condensing aspects that are pertinent to a social movement in ways that are intended to mobilize potential members of the campaign and gain further support while demobilizing opponents (Benford & Snow, 2000). In the case of living wage campaigns, the message is either framed as a poverty reduction strategy or a social justice issue that is attempting to address income equality and fairness.

The primary motivator for all the living wage campaigns is to reduce poverty however, putting the campaign within the context of poverty reduction has not resulted in any successful campaigns. Of the Canadian living wage campaigns, Kingston, Hamilton and Ottawa had campaigns that evolved from poverty reduction roundtables that had initially been created and

funded by their respective municipal governments. Waterloo's campaign was initiated by a non-profit, community based organization whose mandate was to reduce poverty within the region. These campaigns conveyed a clear message that living wages are a tool to alleviate poverty within their respective cities. While the Kingston and Hamilton campaigns are still ongoing, the Ottawa and Waterloo campaigns both resulted in failure. Interviewees discussed the difficulties of gaining support from the general public due to the perception that many people have of the poor.

Social movements often identify "victims" of a specific injustice and highlight their victimization as the general message (Benford & Snow, 2000). However, when it comes to poverty, framing the poor as victims can often result in polarizing views within the general public. A long history of poverty being portrayed as the result of individual deficiencies has had a substantial effect on how many people view poverty. Starting in the late 1970's, the public discourse on poverty began to shift from the poor being seen as victims of an economic system that had no place for them to poverty being the result of flaws in an individual's character (Rose & Baumgartner, 2013). Politicians and the media reinforced the view that the poor were lazy and unwilling to work and that dysfunctional government programs enabled the poor instead of encouraging them to join the workforce (Rose & Baumgartner, 2013). This has led to a misinformation and distrust within many segments of the population towards the poor. As a result, a hierarchy of defining the poor has become prominent throughout the general

population. The “deserving” poor which is people that are physically unable to work, and the “undeserving” poor, which is those that have the physical ability to work but are not in the workforce and are most often living on social assistance (Applebaum, 2001; Peterson, 1991). Two of the interviewees discussed this hierarchy of the poor and felt that it did have a substantial impact on how the general public viewed the living wage (Interviewee 01; 17). One of the interviewees stated, *“I think there’s more public sympathy for a person who is working and is poor because of that commonly held viewpoint that poverty is a social choice or the result of bad attitudes or something” (Interviewee 01)*. The other interviewee explained that people still viewed able-bodied people who were on social assistance as *“layabouts, miscreants and moochers on the public purse” (Interviewee 17)* while *“people who are working are more likely up the pecking order of the moral hierarchy” (Interviewee 17)*.

Alternatively, campaigns whose message focussed more on equality and fairness had greater success. The message of “fairness” and “equality” seemed to resonate with the public and city council more than the message of poverty had in other jurisdictions where campaigns had failed. While the New Westminster and Calgary campaigns were motivated by the need to reduce poverty, the focus of the message was one of equality. The Calgary campaign was initiated by a coalition of labour and anti-poverty organizations and focused on both poverty and equality. While the Calgary campaign ultimately failed, the vote in council was very close with an 8-6 split to reject the motion. The New Westminster campaign was organized by

ACORN, which typically advocates for higher wages for the working poor and was backed by the local Labour Council. While anti-poverty organizations within the city openly supported the living wage, the campaign did not focus on the living wage being an anti-poverty measure.

Many of the interviewees involved in the New Westminster campaign, discussed the living wage in terms of fairness and equality rather than in terms of addressing poverty. City councillors that were interviewed expressed that they supported the living wage because *“it was the right thing to do”* (Interviewee 15) (Interviewee 01; 15). One campaign organizer that was involved in the door-to-door canvassing during the campaign explained that their main argument that they gave at the door was asking people if they felt it was fair that their tax dollars go to paying a wage that does not allow people to support themselves (Interviewee 08). This interviewee felt that framing the issue in terms of “fairness” was a much simpler message than the complex issue of poverty.

By framing a complex message into a simplified form, the general public can more easily identify with and support the movement (Benford & Snow, 2000). Two of the interviewees stated that framing the living wage as an issue of equality made it easier for the general public to relate to and identify with than poverty (Interviewee 01; 17). The majority of the public can understand what it is like to work and not earn enough to reasonably live on however fewer have experienced poverty due to not working. While poverty is an issue that many people are concerned about, some of the interviewees expressed that the complexity and differing

perceptions held by the general public made it difficult to gain support for the living wage as a poverty reduction strategy (Interviewee 01; 17). By framing the living wage as an issue of income equality, more of the general public was able to relate to and understand the issue.

Framing the campaign as an issue of income inequality also made it easier to gain active support from labour councils and unions who share a similar ideology. Raising wages, promoting job security and improving the general working environment are concerns that are shared between labour unions and living wage advocates (Zabin & Martin, 1999). Additionally, since labour councils and unions typically have greater financial resources, a higher number of members and a stronger organizational structure that can rally their members than most anti-poverty organizations, their addition to the campaign can be an asset.

5.3 Campaign Structure and Networks

The structure of living wage campaigns and how they are managed are important factors to the campaign's success. In particular, the type of leadership that is decided upon prior to the start of the campaign has significant ramifications throughout the life of the campaign and is instrumental to the campaign's success. Additionally, the existing social networks within a city play an important role in the formation of a campaign and can drastically increase support for the cause throughout the life of the campaign. These existing networks ease coalition building and can often aid in opening important lines of communication with city council. Existing networks and coalition building are often discussed as important issues in the literature on

living wage campaigns. As such, the interviewees were asked about the importance of coalitions to the success of the campaign.

5.3.1 Campaign leadership

Having a strong leadership role in the campaign rather than a campaign based on forming a consensus is critical to the success of the campaign. While it is important to address the concerns of all organizations that are involved in the campaign, having an organization that is able to make quick decisions and continuously keep the campaign moving forward is crucial to maintaining public interest on the issue.

New Westminster's campaign was initiated by the local ACORN chapter who *"set the timetable and forced the issue"* (Interviewee 08) then actively formed coalitions with organizations. ACORN contacted one city councillor who then agreed to put forward a motion to Council to study a living wage for the city. While city staff worked on the report, ACORN and the one councillor worked on gaining support and creating coalitions within the community. The coalition building process of this campaign was very quick and happened while the campaign was moving forward.

Two of the interviewees explained that by organizing the campaign in this order they were able to gain broad based support while maintaining the momentum of the campaign (Interviewee 07; 08). They both felt that building coalitions prior to developing a strategy and a specific mandate would have slowed the campaign down and watered down the campaigns

message (Interviewee 07; 08). With many organizations involved at the start, problems can potentially arise with the multiple demands that each organization brings to the campaign (Interviewee 08). Organizations involved in social movements often have dissimilar overall agendas, making it difficult to balance the movement's message to encompass the interests of all organizations (Levi et al., 2002). If an organization feels that their interests are not being adequately addressed, it could lead to a lack of active involvement by the organization.

Additionally, by building a coalition prior to the start of the campaign, there is a chance of having organizations involved that are reluctant to take risks and insist on a long and in-depth consultation period before moving forward with the campaign (Interviewee 07; 08). Two of the interviewees for the New Westminster campaign said they felt that perceived risk of failure prevented some organizations from openly supporting the campaign during its early stages. Once it appeared that the campaign had a good chance of winning, many of the organizations that were initially reluctant to support it became more actively involved (Interviewee 07; 08). Many of these organizations have a long history within the community and felt that by being involved in a campaign that failed, their reputation would be tarnished. As the campaign organizer from ACORN pointed out, by not getting involved until a win seemed likely, organizations would be able to *"blame everything on ACORN"* (Interviewee 08) should the campaign fail.

Alternatively, the Kingston campaign had multiple organizations that were involved in initiating and structuring the campaign. The campaign was the result of the Roundtable on Poverty Reduction, which was developed by the Mayor and funded by the city. When the roundtable was dissolved, the City of Kingston with the United Way and some other major groups in the city decided that they would take over the poverty reduction agenda. However, several of the Roundtable members that had been working on the living wage recommendation for the report decided they would work on advancing the living wage proposal themselves. As one interviewee explained, by having the United Way take on the living wage proposal, it made it *“much more hierarchical and there was much less chance of a voice coming from the grassroots community”* (Interviewee 03). The result is a campaign that is not directed by a single lead organization, but instead, a group of members that work together for a common cause (Interviewee 03).

The Kingston campaign has suffered for having this form of consensus leadership style. The campaign has taken considerably longer than the organizers had imagined and active involvement from certain groups and organizations have been lacking. The individuals that were involved in initiating the campaign represented religious, social justice and community organizations but did not include any labour groups. As such, the campaign has had difficulty in gaining active involvement from labour groups. Although the local labour council fully supports living wages, their involvement has been much more limited than the campaign organizers had

hoped. Several of the interviewees for the Kingston campaign expressed their surprise and disappointment in the lack of active involvement by the labour council within the campaign (Interviewee 03; 05; 17).

In addition to having strong leadership, having paid staff that can work exclusively on the campaign is another important factor to its success. In most living wage campaigns, resources have to be provided by the coalition members; including both financial and labour resources (Nissen, 2000). As such, living wage campaigns rarely have the ability of having a paid staff working exclusively on the campaign and must rely on volunteers from the various organizations. This often creates difficulty as people will come and go as their personal schedules dictate. In many cases, the organizations themselves are staffed by volunteers, which adds to the time constraints of their involvement in the campaign. This makes for a campaign that is less strategically organized and less effective than a movement that does have the resources to have paid staff on board (Nissen, 2000).

Many of the interviewees from Kingston expressed that a lack of resources is an issue in their campaign (Interviewee 03; 05; 17). With no paid staff and a very limited budget, the campaign is made up entirely of volunteers. This has led to a much longer and drawn out campaign than the organizers would have liked and has resulted in a loss of momentum and disinterest from the public.

Alternatively, the New Westminster campaign was initiated and organized by the local ACORN chapter, which did have some paid staff working exclusively on the campaign. Having paid staff allowed the campaign to move quickly and keep the issue of living wages a prevalent public discussion.

5.3.2 Existing networks and coalition building

Existing networks of organizations and individuals that have interacted on previous campaigns or social issues is an important factor that many of the interviewees identified. Two studies that were done in the US support this assertion (Martin, 2006; Swarts & Vasi, 2011). Martin (2006) found that cities that had a high density of labour unions coupled with a local ACORN chapter were far more likely to adopt a living wage than cities that did not have these existing networks. New Westminster had both of these factors in place when the living wage campaign was initiated. As one interviewee explained, this enabled the campaign to “*develop organically and in an ad hoc fashion*” (Interviewee 02). ACORN was the initiator of the campaign and due to their previous work with many unions and the Labour Council; they were able to get support from these labour organizations quite easily (Interviewee 08; 12).

Another study found that the presence of a high density of associations concerned with civil rights, social justice, peace, or the environment played a significant role in the adoption of living wage ordinances (Swarts & Vasi, 2011). Interviewees from both the New Westminster and Kingston campaigns described how those involved in the campaign often already knew

each other and had worked together on similar social issues in the past (Interviewee 01; 05; 13; 17). These previous relationships made coalition building easier. The campaign organizers already had an intimate knowledge of local individuals and organizations that they could call upon who they knew, through past experience, would be supportive of the campaign. One interviewee pointed out that because of this existing informal network, a long coalition building process was not needed (Interviewee 01).

These existing networks covered a wide cross-section of the community that included members from the business community, government and social activists (Interviewee 07). In both case study cities, the initial campaign organizers were all individually involved in different organizations and all had previously worked together on other community issues (Interviewee 01; 05). The benefit of these existing relationships was that time and resources were not needed to build trust between the various coalition members and that there were already lines of communication in place.

These networks are beginning to reach past local municipal borders to a national scale. The Living Wage Canada network is beginning to link the local networks from one community to the local networks in other communities across the country. Although this national network is relatively new, the campaign organizers are realizing the potential that it has on aiding communities in implementing a living wage (Interviewee 12; 13). Both New Westminster and Kingston are now members of this network.

5.3.3 The importance of coalitions

Virtually all the interviewees that supported the living wage saw the formation of coalitions within the campaign as an important factor. The interviewees felt that the more organizations that supported the campaigns, the louder and more widespread the campaign's message would be which, in turn, would gain more support from the general public (Interviewee 02; 03; 05; 13). The campaigns also relied exclusively on the labour and financial resources provided by these organizations.

For both of the New Westminster and Kingston campaigns, the organizers actively targeted labour organizations for their support. Given that living wages are a wage issue, many of the organizers felt that a coalition with labour organizations was a natural fit (Interviewee 05; 17). Organizers also actively attempted to get their respective local Labour Councils involved (Interviewee 01; 03; 05; 08; 17). They tend to have greater financial resources compared to other organizations involved in such campaigns. The Kingston campaign did receive some financial support from their local Labour Council (Interviewee 03; 05). The interviewee from the New Westminster Labour Council expressed that the council had recently been encouraging their members to get involved with social movements around poverty and homelessness, making it an ideal organization for the living wage campaign organizers to try to gain support from (Interviewee 07).

Additionally, some of the campaign organizers from both Kingston and New Westminster have a great deal of history with the Labour Councils and saw them as natural allies based on this history (Interviewee 08; 17). The labour councils also have a strong relationship with their respective city councils, which brings additional political clout to the campaigns (Interviewee 08; 16; 17). Labour Councils are often actively targeted by living wage campaign organizers because of their active involvement and influential relationship with city councils (Bernstein, 2005).

Religious and community organizations are also essential to living wage campaigns. The New Westminster campaign was initiated and managed by the community organization ACORN. Their relationships and reputation within the community enabled the campaign to gain wide public support and access to city council.

The Kingston campaign has relied heavily on support from religious and community organizations within the city. These organizations have been essential to disseminating the campaign's message and gaining public support (Interviewee 03; 05; 17). They have also provided much of the labour required for organizing campaign events and rallies. Additionally, since wage issues are typically seen to be a labour issue, the inclusion of these religious and community organizations have enabled the campaign to convey that living wages are also an issue of poverty, health promotion and social justice (Interviewee 02).

When it came to getting business groups involved in supporting living wages, the two campaigns differed in their efforts. Since business groups have traditionally opposed the mandating of wages, gaining support from some business associations can make for a strong statement that living wages are economically viable.

According to one interviewee involved in the New Westminster campaign, the relative speed of the campaign and the great deal of support that the campaign had within the community resulted in organizers largely overlooking business associations (Interviewee 01). This interviewee claimed that the biggest complaint that came out of business associations was that they were not consulted about the campaign but had very few objections to the living wage itself (Interviewee 01). In addition, the Chamber of Commerce, which is typically vocal about their opposition to living wages, was largely quiet on the issue.

The Kingston campaign has been attempting to get business associations as well as private businesses to support the campaign but have yet to have any success. Kingston's primary business association has refused to support the campaign and, at the time of the interviews, the Greater Kingston Chamber of commerce had not formally decided on whether or not they would support the living wage (Interviewee 04; 05). The representative from the Chamber of Commerce stated that the organization is reserving its decision until the staff report is released however, the representative made it clear that unless the report

demonstrated that the living wage would be advantageous for local businesses, they would not support the policy (Interviewee 04).

Private businesses that have been contacted by campaign organizers have also refused to support the campaign. Even companies that already pay their employees above a living wage would not come out publicly in support of the campaign (Interviewee 03; 05; 13). One particular multi-national corporation with a branch office in Kingston was approached because another one of their branch offices in London, England publicly promotes the fact that they are a living wage employer. The organizers were surprised that the Kingston office was unwilling to support the campaign even though they already paid higher than a living wage to their employees (Interviewee 03; 05; 13).

Coalition building in social movements can be fragile when the multiple organizations involved have dissimilar agendas that they are trying to promote however; the benefits that each organization brings to the campaign are essential. Forming coalitions with multiple organizations from labour, religious and community groups can provide the financial support, labour resources and political clout that the campaign needs to succeed.

5.4 Political Factors

Political factors were seen by all interviewees as being very important to the success of a living wage campaign. Having a city councillor who is willing to be actively involved in the

campaign and having a city council in power that is socially and fiscally progressive were consistently mentioned throughout the interviews as being essential.

Public opinion, opposition to living wages and the effect that living wages have on city budgets are elements that also factor into the decision to support or oppose a living wage policy by city councillors. The degree to which they are important to councillors that both support and oppose the policy is discussed in this section. The perception of their importance by campaign organizers is also explored.

Interviewees were asked if potential political repercussions are an important factor for the success of the campaign. While most councillors stated that political repercussions were not important in influencing their position on living wages, campaign organizers saw the living wage as a means for socially progressive councillors to gain further support from the general public.

5.4.1 A political champion

Having a city councillor that is willing to work closely with campaign organizers and put motions forward to council is an essential element to the success of the campaign. Virtually all of the campaign organizers stated that having a *“political champion”* (Interviewee 05) or *“someone on the inside”* (Interviewee 08) was a crucial factor (Interviewee 02; 05; 08; 12). One organizer stated that they would not have attempted the campaign if they could not get a councillor to support and be actively involved in the living wage campaign (Interviewee 08).

Both the New Westminster and the Kingston campaigns had such a champion. While, in both campaigns, there were several city councillors that supported the living wage, one councillor from each city particularly stood out as a political leader of the campaign.

The role that the councillor is required to play in the campaign goes far beyond their typical municipal duties. The councillors from both campaigns were very active in the promotion of the living wage. The New Westminster councillor described how, in addition to putting motions before council, he spent a great deal of time with the other city councillors attempting to inform and convince them to support the living wage. This councillor expressed that he wanted the motion to implement a living wage to pass by a large margin of votes. He did not feel that a *“4 to 3 vote in favour would truly settle the issue” (Interviewee 01)*. His work did end up paying off with city council unanimously voting in favour of a living wage. By having the full support of council implement a living wage policy, future attempts to contest the policy will be difficult.

In addition to working with their fellow councillors, both councillors also actively engaged their communities; addressing people’s myths and concerns about the living wage. They did this by hosting community events and debates on the issue and got local media outlets to cover the issue (Interviewee 01; 16). The active involvement that these councillors displayed in the campaign had a large impact on gaining support from other councillors and the community and added an additional level of credibility to the campaign (Interviewee 08). Both had existing

relationships with organizations that became willing to support the campaign because of the history of trust that they had with the councillors.

The other jurisdictions that have attempted living wage campaigns have not had the amount of involvement from a councillor as New Westminster and Kingston have had. The campaigns were typically able to get some councillors to support the initiative but only to the extent that they would support it in council. Councillors were rarely involved in the planning and organizing of the campaign.

5.4.2 A progressive council

Having a city council that is socially progressive was consistently cited by the interviewees as being one of the most important elements to having a successful campaign. Interviewees felt very strongly that city councils that are predominantly to the left on the political spectrum are far more likely to pass a living wage policy. Individual councillors were deemed to be “left-wing” or “right-wing” based on their voting history on social and economic issues or by publicly made comments regarding their personal political affiliations. Interviewees from both sides of the issue consistently felt that the other sides’ opinion was based on their political ideology and not on actual facts or in the interests of their constituents. One councillor from New Westminster that opposed the living wage argued that the motion passed because of the “*five card-carrying NDP members*” (Interviewee 06) on council and the city’s history of a “*socialist government*” (Interviewee 06). Conversely, several interviewees that supported the living wage stated that

the ideology of “right-wing” councillors has been one of the most difficult obstacles to overcome (Interviewee 01; 08; 14).

The literature suggests that there is merit to this right-wing versus left-wing perspective. Studies from both the United States and Canada have shown that the political leanings of all levels of government have an impact on the passage of wage related policies. Two Canadian studies that looked at the raise in provincial minimum wages found political parties play a greater role than economic factors (Blais, 1989; Dickson & Myatt, 2002). Provinces that have a left leaning party in power are more likely to raise minimum wages than provinces with right leaning parties. Studies done in the United States found similar results with Democrat-led states being more likely to raise minimum wages than Republican-led states (Kau & Rubin, 1978; Waltman & Pittman, 2002). However, studies that looked specifically at the adoption of living wage policies in the US have been mixed. Since living wages are implemented at the municipal level, political affiliation is difficult to accurately assess. Data used for these studies was based on voting history at the state and federal level. Using this data can be problematic as it tracks the political leanings of the electorate and not, necessarily, of the city councillors. Therefore, an assumption must be made that since the cities population votes either progressive or conservative at the state and federal levels of government, they are likely to vote the same way for municipal candidates. Two separate studies that looked at cities that had implemented some form of living wage policy determined that cities located in states with a

higher electorate that voted for the Democrats at the state and federal level were more likely to pass living wage laws (Martin, 2001, 2006). However, another study of 39 cities that had implemented living wage policies contradicts this assessment and found that political affiliation had little significance on their passage (Gallet, 2004). To date, there have been no similar Canadian studies to determine if a left-leaning government at the provincial or federal level has any affect on the passage of a living wage policy.

5.4.3 The influence of public opinion and opposition

Public opinion and opposition are important factors for the success of a living wage campaign. However, the level of importance that each has is seen very differently between the decision-makers and the campaign organizers.

The importance of public opinion to the living wage campaigns was mixed along distinct lines. While campaign organizers saw public opinion as very important in pressuring city councillors to enact a living wage policy, the councillors interviewed stated that public opinion on the issue played very little into their decision. Typical responses given by the city councillors were *“not important at all”* (Interviewee 14) and *“I’m not sure that we went for public opinion...we thought it was the right route to take and we moved forward with that”* (Interviewee 15). However, the councillors did feel that the living wage was not an issue that resonated strongly with the general public and that they did not get a strong indication one way or another from their constituents. Councillors judged support or opposition by the public

based on their knowledge of their constituents' views on previous issues that the councillors felt were similar. One councillor felt that because the electorate had been fairly progressive and supportive on initiatives regarding poverty and affordable housing, that they would be supportive of the living wage initiative (Interviewee 14). While another councillor stated that based on his constituents fiscal conservatism on previous issues, he felt that they would not be supportive of the living wage (Interviewee 09). However, even when pressed further that if there was a clear majority of the public that felt strongly for or against living wages, the councillors stated that they might take public opinion into account more but that they would likely still vote the same (Interviewee 01; 09; 10; 15; 16). This applied to both the councillors that supported and opposed living wages.

One city councillor that was actively involved in the campaign and spoke to many city residents as well as the media in an effort to get the message out to the public explained that the main reason for engaging the public was to inform and educate them on the living wage. This councillor explained that the reason for engaging the public was more about suppressing misconceptions that could lead to opposition rather than trying to get people to actively support the campaign. He argued that when it came time for the vote, *"if you have to start explaining, you're already losing"* (Interviewee 01) and that *"most people haven't heard about this issue and if you don't define it in advance somebody else is going to for you"* (Interviewee 01). Another councillor expressed a similar sentiment by arguing that the primary motivation of

the events held by the living wage campaign is to *“shoot down the myths and the misconceptions of what people are afraid that it’s about”* (Interviewee 16). These councillors differed from the other councillors in their perspective that they were trying to lead public opinion instead of gauging it and making a decision based on what they felt the people wanted.

Alternatively, the campaign organizers felt that gaining public support for the living wage was very important. Many of them argued public support would lead to pressure for the city councillors to vote in favour of a living wage policy (Interviewee 02; 05; 08; 17). Most of their resources were devoted to gaining public support through the use of door-to-door canvassing, petitioning and holding rallies and events promoting the campaign. One campaign organizer discussed how by gaining public support for the issue, they were able to obtain political clout on the issue (Interviewee 08). The idea of gaining political clout through widespread public support is an important aspect of regime theory (Hackworth, 2007; Stone, 1989). Regime theory posits that widespread public support on a given issue combined with specific individuals or organizations that already hold a great deal of political influence is key to convincing municipal governments to support the movement. However, as per the city councillor’s admissions that public support was not an essential factor, living wages appear to be contrary to regime theory arguments. Instead, city councillors suggested that the trust that had been developed with existing organizations that they had interacted with on previous issues was a greater influence on their decision than public opinion on the living wage

(Interviewee 01; 09; 10). Specific organizations within the campaign that already had an open line of communication and had developed trust based on a history of dealing with city council played a more essential role than wide spread support of the issue.

Opposition to the Kingston and New Westminster campaigns has been minimal. The interviewees cited a few vocal opponents within the business community but no concerted, organized effort by them to counter the living wage campaign. While business associations in both cities refused to support the campaign, they have not shown any major resistance or public opposition to the initiative.

The Chamber of Commerce, which is the most predictable opponent for the living wage (Pollin, 2008; Swarts & Vasi, 2011), did not vocally oppose the living wage in New Westminster. Whether or not that had an impact on the success of the campaign is up for debate however, the author of a study on a similar successful campaign in Miami where the Chamber of Commerce did not oppose the living wage argues that this lack of opposition did have an impact on the city council's decision (Nissen, 2000).

Some interviewees felt that the city councillors often took the perspectives of the Chamber of commerce in high regard further suggesting that the Chamber of Commerce's stance on local issues does have some impact on the final results of the campaign (Interviewee 01; 08; 10). One interviewee from New Westminster gave a couple of reasons why he felt that the Chamber of Commerce did not oppose the living wage (Interviewee 08). First, the speed at

which the campaign moved forward was very quick making it difficult for the Chamber of Commerce to investigate and respond. Second, New Westminster's businesses are typically small local businesses that are very involved in the community and that opposing it would reflect badly on their businesses. This interviewee felt that New Westminster's lack of opposition by the Chamber of Commerce and the local business community might not have been the case in a larger city where multi-national corporations with very little ties to the local community are more prevalent (Interviewee 08).

Calgary is the only other Canadian campaign where the local Chamber of Commerce did not openly oppose the living wage and, in fact, supported it by becoming a living wage employer itself. While the Calgary campaign did ultimately fail, the vote in council was closely split with an 8-6 vote against implementing a living wage policy. This close split in the vote does support the theory that the Chamber of Commerce's position on an issue does have some influence on city council.

As of the time of the interviews, the local Chamber of Commerce in Kingston had not formed a formal decision whether to support or oppose the living wage. Hamilton's local Chamber of Commerce has also not yet taken a position on the living wage either. In Ottawa, Waterloo Region and Esquimalt the respective local Chamber of Commerce's all vocally opposed the implementation of a living wage policy and all the living wage campaigns in these jurisdictions resulted in failure.

The lack of public opposition to all the Canadian living wage campaigns makes it surprising that most of them have resulted in failure. None of the campaigns had any form of organized opposition or a collective group that initiated a counter campaign against the living wage. The admission by the city councillors interviewed that public opinion played very little into their decision to support or oppose the living wage and the apparent influence that the Chamber of Commerce has on city council seems to play an important role in the success of a living wage campaign.

5.4.4 City budgets

The effect that a living wage policy would have on the city budget was a factor in the decision for the councillors that opposed the policy. These councillors felt that the city would have to cut services in other areas or raise municipal taxes to accommodate a living wage policy (Interviewee 06; 09). Hiring less summer students in order to maintain the same level of costs was also suggested as a consequence of implementing a living wage (Interviewee 09). They also argued that forcing companies that hold contracts with the city to pay their employees a living wage would discourage businesses from bidding on new contracts. However, in the case of New Westminster, this has not resulted in a less competitive bidding process and while there have been some businesses that have stopped bidding on city contracts, there have been many other businesses that have filled this void (Interviewee 15).

New Westminster councillors that supported the initiative pointed to the staff report that showed that while there would be some additional costs required for the living wage, it would be minimal (Interviewee 01; 15). One councillor pointed out that the minimal costs were due to the fact that all permanent city employees already made more than the living wage (Interviewee 15). Additionally, studies done on US cities that have implemented living wage policies have shown that the additional costs are not borne entirely by the city but are often absorbed by the companies bidding on contracts in order to remain competitive (Fairris, 2005; Pollin & Luce, 1998). This has largely been the case in New Westminster where, the year following the implementation of the living wage, there was no tax increase required to accommodate the new policy (Interviewee 01).

One city councillor pointed out contradictory arguments that he commonly heard from the opposition regarding the cost of the living wage. He stated that the opposition would often argue that the living wage *“hardly affects anybody, so why are we wasting time on this while also arguing that this is going to bankrupt the city and be so expensive. Well both of those things can’t be true”* (Interviewee 01). During the interviews, the councillors that opposed the living wage did in fact make these contradictory statements. They argued that the small number of people effected by the living wage made the policy largely symbolic but also argued that it would have a large impact on the city budget (Interviewee 06; 09).

The affect that the living wage would have on the city budget seemed to influence the decision of the councillors that were opposed to the policy much more than for the supportive councillors. Much of the discussion regarding the city budget in the interviews centred on the fiscal cost to the city with opposing councillors arguing that it would have a substantial impact while supportive councillors dismissed the costs as insignificant to the overall budget.

5.4.5 Political repercussions

Most of the councillors interviewed stated that political repercussions were not a factor in their decision to support or oppose the living wage. While some acknowledged that their stance on the living wage could lead to a loss or gain in support from the public during the next election they stated that their decision was based more on principle than on trying to appease the general public (Interviewee 09; 15). However, these same councillors also felt that living wages were not a significant issue for their constituents and that any support that they lost would be minimal (Interviewee 09; 15). Another councillor that supported the living wage felt that those that opposed his stance were unlikely to vote for him anyways and that he was more likely to gain votes due to his principled stance (Interviewee 10). This sentiment was shared by campaign organizers who pointed out that the city councillor that spearheaded the New Westminster campaign actually increased his votes in the general election that preceded the passage of the living wage policy (Interviewee 08; 12). The campaign organizers in Kingston also

stated that they hoped to make the living wage an election issue by promoting the councillors that were supportive of living wages as progressive candidates (Interviewee 13; 17).

One councillor from New Westminster who opposed the living wage pointed out that winning or losing votes is not the only political repercussion with which an elected official has to contend. Support from other council members on other issues ultimately played into her decision to vote in favour of the living wage policy. She felt that she had to “*pick her battles*” (Interviewee 06) when voting on motions before council and, to this councillor, the living wage was not worth voting against and alienating herself from her colleagues. By voting against the living wage, this councillor felt that she would not get support for future motions that she put forward.

5.5 Urban Socio-Economic Context

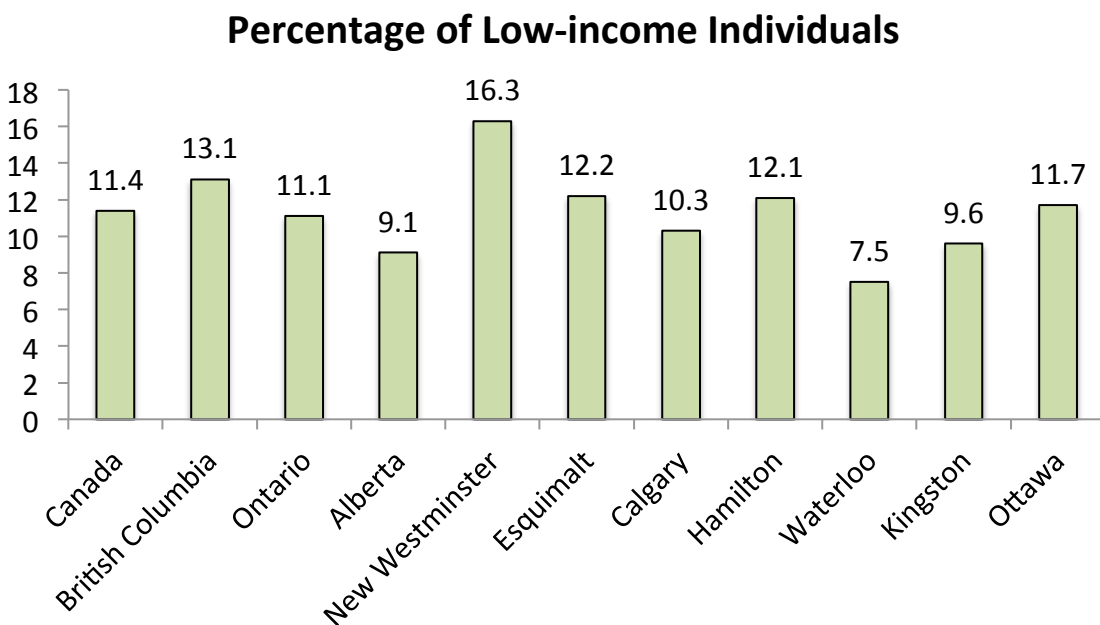
Specific socio-economic conditions were explored through the interviews to determine if there are any conditions specific to a city that are influential to the success of living wage campaigns. Poverty and affordable housing are often used as a justification for implementing a living wage however; few interviewees discussed them in the specific context of their city. While a living wage is seen as a way to alleviate the pressures of poverty and affordable housing, the interviewees did not see them as anymore influential than in other cities. City size and population density, and a history of activism are two elements that interviewees felt contributed to the success of the campaign.

5.5.1 Poverty

While poverty was consistently cited as the primary motivation for the living wage campaign, very few interviewees specifically discussed poverty in the context of their own cities. Only two interviewees gave specific details as to why they felt a living wage was needed to reduce poverty in their city. Although the focus of Kingston's campaign is to address poverty, only one interviewee from Kingston discussed an element of poverty that is specific to the city. The interviewee pointed out that the large prison population in the city has led to a disproportionately high number of families that are in need due to an incarcerated family member (Interviewee 05). While addressing poverty was not the primary message of the New Westminster campaign, one interviewee did cite a child poverty rate of 25% as a justification for implementing a living wage (Interviewee 07). Overall poverty rates were not discussed by any of the city councillors which suggests that the poverty rate was not a significant factor in the decision making process for implementing a living wage.

One study in the US that looked at various factors involved in the passage of living wage ordinances concurs with this assessment finding that the extent of poverty in a city had no significant influence (Martin, 2001). However, the graph in figure 5:2 does show a slight pattern between a city's poverty rate and the passage of living wage policies in Canada. This graph shows the low-income measure after tax (LIM-AT) for each of the Canadian cities included in this study as well as the provinces that the cities are located in and Canada as a whole. The LIM-

AT is the standard calculation used to determine if a person is considered low-income and is based on a fixed percentage of 50% of median adjusted after tax income. The calculation is based on the individual but takes into account household size and the needs of the household. New Westminster, the only city to implement a living wage, has the highest percentage of low-income individuals. It is also higher than the provincial and national percentages. The second highest percentage is in Esquimalt where a living wage policy was tentatively approved by council but was rejected after a staff report was completed. While this does not point to conclusive evidence that poverty is a factor, it does highlight an area that should be further explored as more campaigns take place.



Source: Statistics Canada, National Household Survey – Focus on Geography Series, 2011

Figure 5:1 Percentage of individuals in low-income measure after tax (LIM-AT)

Additionally, very few of the interviewees explained how a living wage would reduce poverty. Most acknowledged that the living wage affects only a small percentage of low-income individuals and would therefore make only a small impact on overall poverty in the city. However, some of the interviewees argued that raising wages in one segment of an industry could put pressure on employers to raise wages across the entire industry in order to retain employees (Interviewee 03; 08). Other interviewees said that while the campaigns were specific to municipalities, they were also attempting to convince local companies to voluntarily pay their employees a living wage and that a successful municipal campaign could add momentum to those efforts (Interviewee 03; 11).

One city councilor that opposed the living wage felt that it was not an adequate strategy for addressing poverty since it would only be a small number of people affected by the living wage and that it would not necessarily target low-income households. This councilor felt that the resources required for paying a living wage would be far more useful in alleviating poverty if it was put towards affordable housing or social programs (Interviewee 09). While studies in the US have shown that living wage policies do result in a modest reduction in net urban poverty (Adams & Neumark, 2005a; Clain, 2008; Neumark & Adams, 2003), the argument that the resources used for living wages would make a greater impact if they were directly focused on anti-poverty initiatives has yet to be fully explored.

5.5.2 Affordable housing

While many of the interviewees felt that a living wage would have some impact on affordable housing, it was not a major factor in influencing the decision-making process of city councillors. The councillors that supported the living wage pointed out that the wage took into account housing expenses and would greatly benefit those that did receive a living wage but did not discuss the impact that a living wage would have on housing affordability and vacancy rates within the city. None of them cited high rental costs or low vacancy rates as a factor for their decision to support the living wage. Alternatively, campaign organizers argued that a living wage would help in freeing up low cost rental housing in general (Interviewee 05; 08). This argument is supported in the literature on affordable housing. Increased income inequality has been instrumental in the increased demand for affordable housing (Moore & Skaburskis, 2004). As such, a strategy that focuses on providing adequate incomes is the best and cheapest way to ensure a housing market that is accessible to all (Fallis, 2010; Moore & Skaburskis, 2004).

One organizer pointed out that raising wages to address affordable housing was an easier strategy for the city than building subsidized housing. He argued that finding locations for new affordable housing almost always resulted in resistance from “NIMBYists” (Interviewee 08) in the community which requires a great deal of time and resources from the city to address their concerns.

One councillor that opposed the living wage felt that the money spent on a living wage would be better spent building more affordable housing and creating incentives to develop more housing. He argued that the best way to address housing affordability was by increasing supply (Interviewee 09). However, another interviewee countered this common argument by arguing that the relatively small costs required by the city for implementing a living wage would not enable the construction of many new housing developments (Interviewee 13).

There does not seem to be any pattern between housing affordability and vacancy rates and the success of living wage campaigns. Figure 5:2 shows the predominant percentage of housing stock, the average monthly rental rate and the vacancy rate for the Canadian cities where living wage campaigns have occurred. The only statistic that stands out is the very low (0.8%) vacancy rate for 3 bedroom accommodations in New Westminster. Since the living wage campaign in New Westminster used the CCPA formula, which is calculated for a family of four, the low vacancy rate of housing that can accommodate a family of that size could be an important argument in favour of implementing a living wage. However this low vacancy rate that affects low-income families was not mentioned in any of the interviews.

Municipality	Housing Type (% of total)		2012 Vacancy Rate (%)		2012 Rental Rates (\$/month)	
	single-detached	low/high rise	average	3-bedroom	average	3-bedroom
City of New Westminster	18.2	67.7	2.3	0.8	866	1301
City of Kingston	49.6	31.8	1.7	2.8	947	1230
Region of Waterloo (CMA)	55.8	23.4	2.6	2.7	862	1053
City of Hamilton	58.0	25.0	4.2	5.3	747	980
City of Ottawa	42.9	28.7	2.5	2.7	1,003	1,462
City of Calgary	58.7	22.0	1.3	1.5	1,040	1,098
Township of Esguimalt	25.2	51.6	5.1	4.9	820	1,087

Source: CMHC Rental Market Report 2012

Table 5-1 Housing type, vacancy rate and rental rates

5.5.3 City Size and population density

City size and population density are important factors to the success of living wage campaigns. Studies in the US found that cities with a population size greater than 100,000 were more likely to adopt living wage policies than smaller cities (Martin, 2001, 2006; Swarts & Vasi, 2011). The higher purchasing power per capita gives these larger cities more leverage to negotiate with when contracting out services (Martin, 2001, 2006; Swarts & Vasi, 2011). Additionally, a wage policy that mainly targets specific industries has little affect on a larger city that has a greater level of economic diversity. It is not viable for companies or whole industries to leave the city for surrounding cities that have a smaller economy (Shipan & Volden, 2008).

However, contrary to these studies, interviewees saw a smaller city size as being more beneficial to a campaign's success. They felt that a smaller city size, coupled with a high

population density, enabled campaign organizers to reach a greater number of the general public. One campaign organizer from New Westminster explained that due to the city's small size and dense population, they were able to *"knock on about half of the doors in the city"* (Interviewee 08). Another campaign organizer from Kingston saw the large city size as a barrier to gaining support because of the effort required for door-to-door canvassing, particularly in the less densely populated outer suburban ridings that are predominantly represented by right leaning council members (Interviewee 17).

New Westminster's small size also made organizing much easier (Interviewee 01; 08). Interviewees described the city as a very small, tightknit community where people who are socially progressive are all well connected with one another (Interviewee 01; 08). These tightknit relationships also extended to city councillors who were well known in the community and had existing relationships with many of the people involved in the campaign. The city councillor that spearheaded the campaign summed this relationship up well by saying *"If I go to the store to get a quart of milk I have to leave 20 minutes earlier just to make sure that I have enough time to talk to everybody that I bump into on the way there"* (Interviewee 01). He felt that the accessibility that this existing relationship enabled was essential to the campaign. It made for easier coalition building and allowed for a direct line for city residents to express their concerns, which could then be quickly addressed. The councillor also felt that, while these

relationships can be recreated in a larger city, it is much more difficult and time consuming (Interviewee 01).

New Westminster and Esquimalt, the two cities that had the greatest success, are by far the smallest and most densely populated of the cities that have attempted to pass living wage policies. The table in figure 5:3 shows the population, physical area and the population density of all the cities that have had a living wage campaign. The table highlights the magnitude of difference in population, physical area and population density between New Westminster and Esquimalt and the rest of the cities.

Municipality/Province	Total Population	Area (km ²)	Population Density (persons/km ²)
City of New Westminster, BC	65,976	15.6	4,222.2
Township of Esquimalt, BC	16,209	7.1	2,290.1
City of Calgary, AB	1,096,833	825.3	1,329.0
City of Kingston, ON	123,363	451.2	273.4
Region of Waterloo, ON (CMA)	477,160	827.4	576.7
City of Hamilton, ON	519,949	1,117.2	465.4
City of Ottawa, ON	883,391	2,790.2	316.6

Source: Statistics Canada - Focus on Geography Series, 2011 Census

Table 5-2 City size and population density

5.5.4 A history of activism

A history of activism is important to the success of a living wage campaign. Swarts and Vasi's (2011) study that measured variables that led to the adoption of living wage ordinances in the US found that progressive activism coupled with a high union density greatly increased the likelihood of a campaign's success. The study found that a city with a history of progressive activism was 3.9 times more likely to adopt a living wage than a city without such a history (Swarts & Vasi, 2011). The responses from the interviewees from New Westminster and Kingston do support this finding. Interviewees from New Westminster felt that the city's history of activism had an impact on the campaign's success while the Kingston interviewees expressed that the city's residents' complacency towards social justice issues has been a barrier to getting people and groups involved in the campaign.

New Westminster has had a long history of working class residents employed in the manufacturing and natural resource industries as well as public sector employment. These industries have typically been unionized, leading to a high density of labour unions. While there has been a considerable decline in these industries in recent decades, the labour activism that the unions brought to the city still *"runs old and deep"* (Interviewee 08). One interviewee stated *"for the past forty years; before social media and communications technology; you could turn people out on a dime to rally or demonstrate for a cause"* (Interviewee 07). Another interviewee pointed out *"many people were in unions at some point and speak very positively about them"*

(Interviewee 08) and that by “people being part of progressive institutions like unions, it makes it easier for them to accept more progressive things in general” (Interviewee 08). The labour unions also have a history of being politically engaged in local politics which has led to a greater percentage of the city’s electorate being more politically engaged than in other cities (Interviewee 01). This labour activism and political engagement that has been prevalent in the city for many decades made the city an ideal place for a living wage campaign.

Interviewees from Kingston felt that, while there are some groups and individuals that are very active in social justice issues, they are a minority. Most of the city’s activism is undertaken by a small, core group of people that advocate for a wide variety of social issues (Interviewee 05). One religious group, The Sister’s of Providence, was cited as a group that is very active in social justice issues (Interviewee 05; 13; 17). This group has organized a weekly half hour vigil that has taken place in front of city hall since 1995 protesting the provincial government’s major cuts to social services. Aside from this small number of core groups, the general population of the city does not show much interest in social justice issues (Interviewee 05; 16; 17).

While Kingston has a high percentage of its workforce employed in the public sector and represented by public sector unions, there is very little support for labour activism in the city. As one interviewee pointed out, “there is a strong union presence here but public support for the Labour Day parade is numbered in the hundreds rather than the thousands” (Interviewee

16). While the campaign does have the support of the local Labour Council, it has been limited and union members have not been actively involved in the campaign. The teachers and steelworkers unions have a history of activism in the city but have not been engaged in the campaign (Interviewee 10). One interviewee surmised that the public sector unions that represent the majority of unionized workers in the city are not engaged in the campaign because *“they don’t identify with people who work in the private sector or whom make up the lion share of people in low-wage jobs”* (Interviewee 17). This interviewee also felt that the culture of the public sector unions in the city is not very dynamic or progressive but actually quite conservative (Interviewee 17).

5.6 Summary

The themes discussed in this chapter highlight the important factors that lead to the success of living wage campaigns. While all the factors discussed are important to a successful campaign, some specific factors stand out as being much more significant than others. These more significant factors are highlighted in this section.

The campaign organizers saw the CCPA living wage calculation as being very important for gaining broad support for the campaign from both the general public and organizations that are typically not involved in wage related issues. The inclusion of children in the formula enabled the campaign to convince organizations that deal with child poverty and health to support the

living wage. This broad base of support provided the campaigns with greater financial resources and political influence.

In addition, the calculation's high level of detail of the expenses required for a family to support themselves made it difficult for opposition to criticize the wage rate. This was an important factor for the city councillors who consistently stated that they used the formula to explain exactly what a living wage is and what expenses it covered. This level of detail gave the councillors the ability to justify the wage rate being proposed.

The way in which the campaign's message is framed is also an important factor for the campaign's success. Framing the living wage as an issue of equality and fairness seems to resonate stronger with the general public than framing it as a poverty reduction strategy. This leads to greater support from the general public and avoids potential opposition from people who hold misguided and misinformed perceptions towards poverty.

Having a single organization taking the primary leadership role in the campaign is much more effective than having a campaign run by a consensus of the organizations involved. By having a strong leadership in place, decisions can be quickly made and executed without having to negotiate with numerous organizations that often have dissimilar agendas and ideas for the campaign. This ability to make quick decisions enables the campaign to maintain momentum and keep the living wage a predominant topic of discussion for both the general public and city

council. A strong leadership role also enables the campaign to formulate a singular set of goals and message that is not diluted by the interests of multiple organizations.

Having a political champion actively involved in the campaign and having a progressive city council were consistently cited by interviewees as being essential to a campaign. A city councillor actively supporting the living wage increases the campaign's access to other members of city council. The councillor is well positioned to inform city council on the issue and gain support for the living wage from other city councillors.

Interviewees felt that the decision to support or oppose the living wage by city councillors is largely based on ideology. Having a city council that has a record of implementing socially progressive policies are more likely to support a living wage policy. Many of the campaign organizers discussed political ideology as the primary barrier to the success of the campaign.

The campaign organizers felt very strongly that gaining public support would pressure city councillors into implementing a living wage policy. However, by the councillors' own admissions, public opinion played very little into their decision to support or oppose the living wage. While the councillors acknowledged that they did not see the living wage as a significant issue for the general public, they claimed that their decision would not have been different if the living wage was a more significant issue.

City councillors did state that existing relationships with specific organizations or individuals played a role in their decision to support or oppose the living wage. These existing

relationships led to a high level of trust in the opinions and information presented by the organizations or individuals.

Specific socio-economic factors play an important role in a living wage campaign's success. Cities that are geographically small and have a high population density make it easier for the campaign to reach a greater percentage of the populace. Fewer resources are required for door-to-door canvassing than in larger cities with low population densities, particularly cities with a high percentage of suburban populations.

Cities that have a history of activism are more likely to pass a living wage policy. This history makes for a general public that is accepting of progressive social issues such as the living wage. Interviewees also felt that a history of activism resulted in a general public that is more politically engaged and willing to voice their opinions to city council.

While the influential factors for the success of a living wage campaign discussed in this chapter is not an exhaustive list, they are the most predominant factors that are likely common to all living wage campaigns. Multiple participants that were involved in a campaign have identified these factors as being important. Perspectives of campaign organizers, organizations that are opposed to living wage policies and city councillors have been taken into account for the exploration of these factors.

6 Conclusions

While the research in this study is specific to two case study cities, many of study's findings can, to some degree, be generalized for all living wage campaigns. The intention of this study is for future campaigns and policy makers to take the findings into consideration rather than use them as a strict set of rules that will guaranty success. Living wage campaigns contain a multitude of complex factors, many of which are specific to the individual cities where they take place. As such, it is impossible to determine at the outset whether or not a campaign will be successful. However, by determining which factors discussed in this study are in some way applicable to a future campaign or the city where it takes place, odds of the campaign's success will be increased.

Since many of the issues discussed in the study are common to all living wage campaigns, any of the findings that address these issues will be applicable to all campaigns. For example, the political ideology of city councilors was expressed as being a major obstacle to a campaigns success by interviewees. This obstacle was also well documented in the literature on living wages and applies to virtually all campaigns. Therefore, the findings in this study that express that left-leaning politicians should be targeted as allies to the campaign and attempts to get a political champion actively involved in the campaign are findings that are applicable to any living wage campaign.

Alternatively, findings that related to the existing social conditions within the case study cities may not be applicable to other campaigns. The findings in this study suggest that framing the campaign's message in terms of poverty was not an effective strategy. In the New Westminster case study, the message of "fairness" and "equality" seemed to resonate much more strongly than the message of poverty. Additionally, interviewees from the Kingston campaign expressed the difficulty in gaining support from the general public due to misinformed perceptions held towards poverty. However, in a city that has a general public that is sympathetic to poverty issues and a high density of anti-poverty organizations, framing the message in terms of poverty may be effective.

Ultimately, the findings in this study should be individually considered within the context of each specific city. Campaign organizers and policy makers should determine the relevancy of each of the findings to their city and the campaign. Being aware of the potential that each of the factors addressed in this study may have on their campaign's success will allow them to anticipate any problems that may arise.

6.1 Recommendations for Future Campaigns

While all the factors discussed in chapter 5 are important to a successful living wage campaign, organizers need to prioritize these factors in order to obtain successful results for their campaign. The intention of this section is to offer a general guideline of how some of these pertinent factors should be addressed when considering a living wage campaign. The

living wage calculation, campaign structure and networks, political factors and urban socio-economic context are the primary areas that are crucial to a living wage campaign and should be considered prior to the start of a campaign.

The living wage calculation highlights the factors that broadly apply to education and gaining support for the campaign. The CCPA formula is one tool that can be used to inform and educate the general public, local organizations and city councillors, not only to what the living wage is, but what is specifically needed for a family to maintain a decent quality of life. Campaign organizers cited misinformation regarding poverty as one barrier to convincing people to support the living wage. However, once the formula was explained to them, they generally supported the campaign. In this respect, the high level of detail and transparency in the CCPA formula makes it far superior to the LICO formula.

Framing the message in terms of fairness and equality is more likely to lead to a successful campaign than framing it in terms of poverty. Although many people are concerned about poverty, the complexity and differing perceptions held by the general public makes it difficult to gain support for the living wage as a poverty reduction strategy. By framing the living wage as an issue of income equality, more of the general public is able to relate to and understand the issue.

The factors that are discussed in the campaign structure and networks theme focus on the organization and management of the campaign. Having a single organization leading the

campaign is much more effective than having a campaign managed by a consensus of coalition members. A strong leadership enables a campaign to maintain momentum and keep the living wage issue a predominant topic of discussion for both the general public and city council.

Coalition building is a critical component to living wage campaigns and should be undertaken immediately after the goals and direction of the campaign are clearly defined. Coalition building is essential for disseminating the campaigns message and gaining widespread support from the general public. Additionally, since resources for the campaign are predominantly supplied by the various organizations within the campaign, forming a broad coalition with organizations that can provide financial and labour resources is essential.

The political factors theme focuses on the factors that are important for influencing the decision-making process of the city councillors. These factors include the number of workers covered by a living wage policy, the effect that a living wage has on the city budget, the existing relationships that city councillors have with specific stakeholders and their own political ideology. While some of these factors are beyond the control of campaign organizers, it is important for them to be aware and well informed of these factors. By being prepared for arguments opposing the living wage based on the number of workers covered by a living wage policy and the effect that the policy would have on the city budget, organizers can make compelling counter arguments.

The existing relationships that city councillors have with specific stakeholders plays strongly into their decision to support or oppose a living wage policy. The councillors stated that this existing relationship created a level of trust in the stakeholders' information and opinion. As such, campaign organizers need to determine the individuals or organizations that have a history of working with each city councillor and focus their efforts on gaining support for the campaign from these individuals or organizations.

City councillors stated that public opinion played very little into their decision however, they also stated that they felt that the living wage was not a politically significant issue with their electorate. While campaign organizers should take these admissions into consideration, this does not mean that they should direct resources away from gaining public support. Informing the general public and gaining their support can potentially make the living wage a more significant political issue.

The political ideology of the city councillor plays a major role in their decision to support or oppose the living wage. By reviewing each councillor's voting history, campaign organizers can, to some degree, determine their political ideology. Organizers can then focus their efforts and resources on convincing socially progressive and moderate councillors to support the campaign. Attempting to convince councillors that are undecided on the issue is a more efficient use of resources than attempting to gain support from councillors that have a history of opposing socially progressive policies.

While having a progressive council is largely out of the control of campaign organizers, there are some measures that can be taken. Having the support of a political champion on city council can give the campaign accessibility to other, moderately progressive councillors. One city councillor in New Westminster described how a large role he played in the campaign was convincing some of the undecided councillors on the benefits of a living wage. Additionally, if the campaign takes place during an election, organizers can attempt to use the living wage as an election issue. In Kingston, anti-poverty organizations were successful in using this strategy to form a municipally funded roundtable on poverty reduction, which was the precursor to the living wage campaign.

The urban socio-economic context theme highlights the factors that are specific to a given city and includes city size and population density, and a history of activism. While some of these factors are largely beyond the control of campaign organizers, being aware of them and understanding the limitations of controlling for them is valuable to the campaign. City size and population density is one factor that the campaign organizers cannot control however, by being aware that a smaller city size and a high population density enable a campaign to reach more people with less resources, organizers can make decisions regarding the allocation of resources to compensate for this factor.

A city's history of activism is a factor that campaign organizers have little control over as well. In cities that do not have a strong history of activism, campaign organizers will have to

devote a greater percentage of their resources to educate and convince the general public to support the living wage. Additionally, coalition building may be difficult if there are a limited number of progressive organizations with a history in the city.

The outcome of a living wage campaign is very difficult to predict however, by being aware of the factors that are important to a successful campaign, organizers can focus their limited resources on the factors that are most pertinent to their specific campaign. Having the ability to foresee potential issues that can affect the campaign and developing a strategy to minimize the negative impacts of these issues can have a profound affect on the final outcome of the campaign. Although some factors are somewhat beyond the control of the organizers, there are ways to mitigate their impact on the campaign. While some of the ways to mitigate these factors have been discussed in this section, it is not an exhaustive list and is highly dependent on the individual circumstances of the campaign.

6.2 Implications of this Study to the Field of Planning

In the context of the field of planning, this research can inform municipal and regional planning departments on best practices for implementing a living wage policy. With poverty and the lack of affordable housing becoming an increasingly important issue in most Canadian cities, social planning departments are being tasked with developing strategies to address these issues. Living wage policies are being recognized as one such strategy and are becoming a common recommendation within a broader anti-poverty strategy. As such, being aware of the

common concerns and misinformation held by the general public and city councillors regarding the living wage is invaluable when drafting policy and informing those involved on the potential benefits to implementing a living wage policy.

From a conceptual stand point, this study can encourage planners and city councils to consider income more broadly in the area of affordable housing. As discussed in the literature review section of this thesis, the focus of providing affordable housing is typically addressed from the supply side; either through the construction of new low cost units or through direct government subsidies to low-income households. The arguments given in this thesis suggest that focus should shift to the demand side by increasing the wages of low-income households to enable them to enter the rental market. This solution would be beneficial in many ways. By legislating and encouraging higher wages, the financial burden is partially shifted away from the municipality. While some additional costs will be incurred in order to pay a higher wage to current employees that make below a living wage, some of the costs of contracted labour will be shifted to the private businesses that employ the workers working on city contracts (Brenner, 2005; Luce, 2012). These increased costs to the city's budget could potentially reduce the amount of money needed for housing subsidies.

Additionally, by addressing the need for affordable housing through increased wages, planning departments can justify a living wage policy as one tool to alleviate the need for the construction of social housing units. As one interviewee pointed out, raising wages to address

affordable housing is an easier strategy for the city than building subsidized housing. Finding locations for new affordable housing almost always results in resistance from “*NIMBYists*” in the community. This often requires a great deal of time and resources from the city to address their concerns.

6.3 Living Wage Campaigns in the Context of Regime Theory

Regime theory has played an important role in understanding how local political decision-making is influenced and the role that stakeholders have in this process. Regime theory, which developed from the two competing theories of pluralist theory and elitist theory, has been instrumental in understanding urban governance. While regime theory has been very useful in accurately explaining political decisions in many contexts, it does not accurately reflect the political influences and structural organization of the living wage campaigns in this study.

The structure of the New Westminster campaign relied on a single organization to initiate and manage the campaign and formed coalitions after the launch of the campaign. This allowed the organizers to set specific goals without having to accommodate the interests of multiple organizations and enabled the campaign to maintain momentum throughout its entirety. This type of governing structure is contrary to Stone’s (1989) regime theory arguments that coalitions have no governing structure and that they work in cohesion with one another to the extent that it benefits them. In the case of living wage campaigns, the benefits of having a strong leader far outweigh the potential of alienating organizations within the coalition. While

living wage campaigns are very complex, the final goal of an increased wage is a goal that all coalition members can support, making it unlikely for organizations to completely abandon the campaign.

Regime theory also states that local political decision-making is influenced by both wide spread public support for an issue and key individuals that hold considerable influence over local governments (Hackworth, 2007; Stone, 1989). Public support is created through coalition building between individuals and organizations that can disseminate information on a given issue while specific, elite members in society enable access to the local government. However, as all of the city councillors that were interviewed stated, public opinion did not factor into their decision to support or oppose implementing a living wage policy. The city councillors that did engage the general public stated that they did so in an effort to lead public opinion on the issue rather than attempt to gauge it in order to base their decision on what the public wanted. Instead, it was key individuals that city councillors cited as being influential to their decision. Councillors stated that the opinions of specific individuals and organizations that they had an existing relationship with were a greater influence on their decision than public opinion. These existing relationships were developed through interactions on previous issues, creating a level of trust that gave the opinions of these key individuals considerable credibility.

Regime theory argues that the key individuals that are influential in affecting political change are typically able to do so because of the economic power that they hold within the

community (Hackworth, 2007; Stone, 1989). The continuous economic growth and development that is required to generate revenue for local governments results in a disproportionate amount of support by city councils on issues that are advocated for by the business elite (Stone, 1989). However, this was not entirely the case for the living wage campaigns in this study. The key individuals that the city councillors mentioned as being influential, in many cases, did not hold much economic power in the city. The city councillors that supported the living wage cited anti-poverty organizations as being influential to their decision. These organizations hold very little economic power within the city but have developed a strong relationship of trust with many members of city council through their continued work on anti-poverty and social justice issues.

Alternatively, the city councillors that opposed the living wage did cite organizations that held economic power within the city as being influential to their decision. The opinions and information provided by the local Chamber of Commerce, the city's BIA's and local businesses were more influential to the opposing councillors. These councillors also stated that the history that they had with these organizations was the primary reason why they trusted their opinions over others.

Although living wage campaigns did not adhere to many of the principles of regime theory, it was important to study them within this context in order to gain insight into the decision-making process specific to implementing a living wage. The knowledge gained from

studying the campaigns in this way contributed greatly to the development of many of the factors discussed in this thesis. In relation to political theory, these factors highlight that living wage campaigns are better explained through elitist theories rather than regime theory.

6.4 Study Limitations and Directions for Future Research

This section highlights some of the limitations of the study and offers suggestions for future research that could address these limitations. Since there is a considerable lack of research into Canadian living wage campaigns, there are many areas that can be explored.

One limitation of this study is that not all of the dimensions of the campaign were fully explored. The way in which a campaign's message is framed is one such dimension that was explored to a limited capacity. Message framing was recognized as an important factor late into the interview process resulting in many interviews that did not include questions specifically related to this factor. As such, further exploration into the framing of a campaign's message as an issue of equality and fairness as opposed to an issue of poverty is an area that should be considered for future research. Since most current campaigns are promoting the living wage as an anti-poverty strategy, research into this area would be highly beneficial.

The scope of interviewees selected for this study is another limitation. Key informants were selected as participants due to their in-depth knowledge of the topic however, members of the general public that have limited knowledge on the issues could offer a great deal of insight into some of the factors identified in this study. Therefore, research designed to gauge

public perceptions and opinions regarding living wages through the use of qualitative analytical tools is an area that would build upon this study.

In addition to the limited scope of participants, the relatively small number of participants used in this study is also a limitation. Continuing and broadening the study to include more case study cities can address this limitation. In particular, including failed campaigns within the study would be highly beneficial. Failed campaigns can offer a different perspective on the existing findings and possibly reveal other factors that were not considered. Additionally, including failed campaigns could enable access to more participants that were opposed to the living wage. Opposition in the two case study campaigns was limited and, of the organizations that did oppose the living wage, few responded to requests for an interview. Failed campaigns likely had more vocal opposition and would be more likely to participate in the study.

Another limitation is the inability to generalize some of the factors beyond the case studies. Many of the factors that are influenced by the socio-economic variables of the study may vary between cities. Therefore, a quantitative analysis of the effects that a city's socio-economic variables have on the results of a campaign is another area of research that should be explored. In particular, developing an analysis that could measure the extent of a city's history of activism would be a useful tool to compare this factor between cities. While there have been some limited studies done in the US regarding these variables, there have been none done in the Canadian context.

Finally, there are no procedures in place to track and monitor the effects that a living wage policy has on the city. There are many areas of research that could address this limitation. One area of research that was mentioned by interviewees in this study and has yet to be explored in both the Canadian and US context is whether the implementation of a municipal living wage encourages local businesses to voluntarily offer a living wage to their employees. Interviewees argued that a municipal living wage sets an example to the local business community to pay their employees a higher wage. The limited number of workers that the municipal living wage covers could potentially grow due to this example set by the city. Additionally, interviewees argued that by raising the wages of private sector workers who work on municipal contracts, wages can potential rise throughout these workers' perspective industries. To date, there has been no research performed in this area in specific regard to municipal living wage policies.

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Appendix A – Information Package

Information/Recruitment Letter

July 05, 2013

Dear **,

I am writing to invite you to participate in the study entitled *Evaluating Living Wage Campaigns: An analysis of the factors that influence local political decision-making* being overseen by Dr. Markus Moos of the School of Planning and Dr. Tara Vinodrai of the School of Environment, Enterprise and Development (SEED) at the University of Waterloo. The intention of this research paper is to study the organization of living wage campaigns and to identify and analyze key factors that are influential to the decision-making process. The study will explore these factors through the use of two case study cities; New Westminster, BC and Kingston, ON. The factors that are identified will be compared and contrasted between these case studies to determine how influential and important they are in shaping the outcomes of these campaigns.

Participation in this study is voluntary and there are no known or anticipated risks. The research involves a telephone interview that will last approximately an hour. The interview will involve questions about you or your organization's involvement in the living wage campaign. At any point in the interview, you may decline answering any of the interview questions or withdraw from the study without negative consequences. With your consent, the interview will be audio recorded and transcribed to facilitate the collection of information. All data collected in the interview is confidential and your anonymity will be protected in any reports or publications, unless you give us express and prior consent to identify your organization. All personal identifiers will be removed from the interview data and will be replaced with a unique code. The identity only file which links the personal information to the unique codes will be contained in an encrypted file that can only be accessed by the researchers. All records will be handled with the strictest confidence and only the research team associated with this project will have access to the data. All records will be encrypted and stored on a password protected computer for a period of five years following the completion of the study, after which it will be destroyed.

If you have any questions regarding this study, or would like additional information to assist you in reaching a decision about participation, please contact me at 416-825-0244 or by email at skeddy@uwaterloo.ca. You may also contact the Faculty Supervisors, Dr. Markus Moos, at 519-888-4567 ext. 31113 or mmoos@uwaterloo.ca or Dr. Tara Vinodrai, at 519-888-4567 ext. 33278 or tara.vinodrai@uwaterloo.ca. I would like to assure you that this study has been reviewed by, and received ethics clearance through, the Office of Research Ethics at the University of

Waterloo. If you have any comments or concerns resulting from your participation in this study, you may contact Dr. Maureen Nummelin, the Director, Office of Research Ethics, at 1-519-888-4567, Ext. 36005 or maureen.nummelin@uwaterloo.ca.

I look forward to your reply and I will contact you in 3 or 4 days to further discuss this project. Thank you in advance for your assistance.

Sincerely,

Sean Keddy
School of Planning
University of Waterloo

Non-disclosure

I have read the Letter of Introduction for the study entitled *Evaluating Living Wage Campaigns: An analysis of the factors that influence local political decision-making* being overseen by Dr. Markus Moos of the School of Planning and Dr. Tara Vinodrai at the University of Waterloo. I have had the opportunity to ask any questions related to this study and have received sufficient answers to my questions and any other additional details I wanted.

I am aware that by participating in this study, I will be asked questions regarding my current organization – which includes questions about its role and mandate, its programs and activities and its role in the broader community and region.

I am aware that I have the option of allowing my interview to be audio recorded to ensure an accurate recording of my responses.

I was informed that I may withdraw my consent at any time without penalty by advising the researcher.

I am aware that excerpts from the interview may be included in presentations and publications emerging from this research and that these quotes may be attributed to my organization.

This project has been reviewed by, and received ethics clearance through, the Office of Research Ethics at the University of Waterloo. If I have any comments or concerns resulting from my participation in this study, I may contact Dr. Maureen Nummelin, the Director, Office of Research Ethics, at 1-519-888-4567, Ext. 36005 or maureen.nummelin@uwaterloo.ca.

With full knowledge of all foregoing, I agree, of my own free will, to participate in this study:

☐ Yes ☐ No

I agree to this interview being audio recorded: ☐ Yes ☐ No

I agree to the use of quotations with my organization's name attached in any publication that comes of this research: ☐ Yes ☐ No

I agree to the use of anonymous quotations in the thesis and publications:

☐ Yes ☐ No

Participant Name (Please Print)

Witness (Please Print)

Participant Signature

Witness Signature

Date

If there are any questions or concerns, please do not hesitate to contact Sean Keddy by telephone at 416-825-0244 or e-mail at skeddy@uwaterloo.ca. You may also contact the Faculty Supervisors, Dr. Markus Moos, at 519-888-4567 ext. 31113 or mmoos@uwaterloo.ca or Dr. Tara Vinodrai, at 519-888-4567 ext. 33278 or tara.vinodrai@uwaterloo.ca.

Appendix B – Interview Questions

Stakeholder Questions

Background

1. Can you tell me a little bit about your organization?
 - *Is your organization local or national?*
 - *What are the main issues that your organization is involved in?*
 - *Does your organization actively participate in these issues such as through the use campaigns, organizing, creating alliances with other organizations that are also involved in these similar issues?*
 - *or -*
 - *Does your organization focus on educating others about the issue?*

The history of living wage campaigns in the city

2. Can you tell me a little bit about the history of living wage campaigns in your city?
 - *Have there been previous attempts at a living wage campaign in the city? If yes, was your organization involved in them?*
 - *Who spearheaded the campaign?*
 - *What was the motivation behind starting the campaign? Was there a single event (major employer leaving city, economic downturn that hit the city hard) or was it an accumulation of events over a long period of time (rising housing costs, prolonged cuts to social services) that highlighted the need for a living wage?*
 - *Was there any consideration on how the goals of the living wage campaign related to influencing other spheres of policy and planning? (social, economic development or housing)*

The organizations involvement in the living wage campaign

3. Can you explain what actions your organization took during the campaign?
 - *How and why did your organization initially get involved in the living wage campaign?*
 - *Did you have a specific plan in place going into this campaign?*
 - o *If yes, what did the plan look like and did it change or evolve in any unexpected ways during the campaign?*
 - o *If no, was there any reason for not having a plan?*
 - *How many people from your organization worked on the campaign and to what capacity?*
 4. Has your organization been involved in other types of campaigns that helped you to formulate a strategy for this one?
 - *If national, has your organization been involved in other living wage campaigns?*
- Discuss*

- *Were there any pertinent lessons learned from them?*

The importance of coalitions

5. *Were there any coalitions formed between your organization and others?*
 - *Were these coalitions with organizations that you had a pre-existing relationship with?*
 - *Was this a planned, coordinated initiative?*
 - *Did the work on the campaign become coordinated across the coalition?*
6. *Was there a strategic attempt to collaborate with specific organizations?*
 - *Which organizations and why?*
 - *Did these key individuals or organizations have a greater amount of influence on city council's final decision than others?*
 - *Were there organizations that did not want to get involved in the campaign? Why?*

The Formula

7. *Did the method used for calculating the living wage play a role in the campaign?*
 - *Was the relatively small number of workers that would be effected a factor in the campaign?*

Public opinion

8. *In what ways was informing the public important?*
 - *What methods/venues did you or your organization use to inform the general public?*
 - *How was feedback from the public collected?*

Opposition

9. *Was there a strong opposition to implementing a living wage?*
 - *Was this opposition organized in any way?*
 - *Were there attempts to discuss the issue with them?*
 - *Were you able to change the views of any that were opposed to it?*
 - *Was their support crucial to the campaign?*

Other potential influential factors

10. *How important do you feel the history and demographic make-up of the city are to the final results of the campaign?*
 - *Is there a strong union presence in the city?*
 - *Is there a history of activism in the city?*
 - *Have there been other issues that might relate to living wages that have been an ongoing concern? (ie. Poverty, affordable housing) Were the organizations/individuals involved with these other issues contacted/involved in the campaign?*
 - *Does the city have a social planning committee that was involved in the campaign?*

- *Is there a large proportion of the labour force in the city that would benefit from living wages?*
 - *Is there a strong business sector that feels living wages would have a negative economic effect on the city?*
 - *Do you feel that your city has any specific qualities that would make it suited for living wage policies?*
 - *Are there any qualities that would make it unsuitable for living wage policies?*
11. Are there any other factors that you feel were influential for the success of the campaign?
- *Did the method used for calculating the living wage play a factor?*

Conclusion

12. Are there any other organizations or individuals that were involved in the campaign that you feel would be beneficial to this study?

Decision-makers Questions

Background

1. Can you tell me a little bit about your time on city council?
 - *How long have you been a councillor?*
 - *What are some of the main issues that you have been involved in?*
 - *Have you been involved in any similar campaigns or issues?*

Involvement in the living wage campaign

2. Can you explain what actions you took during the campaign?
 - *Were you actively involved in campaign?*
 - *How and why did you initially get involved in the living wage campaign?*
 - *What was the motivation behind starting the campaign? Was there a single event (major employer leaving city, economic downturn that hit the city hard) or was it an accumulation of events over a long period of time (rising housing costs, prolonged cuts to social services) that highlighted the need for a living wage?*
 - *Who first contacted you about the campaign?*
3. Have you been involved in other types of campaigns that gave you insight into this one?
 - *Have you looked at living wage campaigns in other jurisdictions? What lessons did you learn from them?*
 - *Have there been previous attempts at a living wage campaign in the city? Were there any pertinent lessons learned from them?*
4. What do you see as the main objective that the living wage policies will fill?
 - *Is it ideological since it does only cover a small number of workers*
 - *Housing affordable?*
 - *Child poverty?*
 - *Poverty in general?*
 - *As an initial phase to a larger plan?*
 - *To strengthen public sector jobs and unions?*

The importance of coalitions

5. Have you worked with any of the organizations involved in the campaign on any other issues?
 - *Did this previous relationship have any effect on your involvement with the campaign?*
6. What role did coalitions between various organizations have on your final decision?
 - *Were there some stakeholders that you considered to be more influential on your decision than others? How so?*

The Formula

7. Did the method used for calculating the living wage influence your decision to support or oppose the living wage?
 - *Was the relatively small number of workers that would be effected a factor in your decision?*

Public opinion

8. In what ways was informing the public important?
 - What methods/venues did you use to inform the general public?
 - How was feedback from the public collected?
 - Was their support crucial to your decision?

Opposition

9. Was there a strong opposition to implementing a living wage?
 - *Was this opposition organized in any way?*

Other potential influential factors

10. How important do you feel the history and demographic make-up of the city are to the final results of the campaign?
 - Is there a strong union presence in the city?
 - Is there a history of activism in the city?
 - Does the city have a social planning committee that was involved in the campaign?
 - Have there been other issues that might relate to living wages that have been an ongoing concern? (ie. Poverty, affordable housing)
 - Is there a large proportion of the labour force in the city that would benefit from living wages?
 - Is there a strong business sector that feels living wages would have a negative economic effect on the city?
 - Do you feel that your city has any specific qualities that would make it suited for living wage policies?
 - Are there any qualities that would make it unsuitable for living wage policies?
11. Could you briefly explain how you weighed the economic and social implications that a living wage policy had on your decision?
 - What role did the organizations involved in the campaign play in this?
12. Did you feel that your decision would lead to a lack of support on other political issues and did this effect your final decision?
 - Have there been any positive or negative consequences for other political issues to your decision?

- Has your involvement with the campaign led to any other unforeseen positive or negative consequences?
 - Have the relationships that you have made with the various organizations involved in the campaign contributed to any other political or social issues?
13. What other key variables did you consider when making your decision?
14. Are there any other organizations or individuals that were involved in the campaign that you feel would be beneficial to this study?

Appendix C – Organizations Involved

Association of Community Organizations for Reform Now (ACORN)

<https://www.acorncanada.org/>

Canadian Centre for Policy Alternatives (CCPA)

<https://www.policyalternatives.ca/>

Kingston Community Health Centres

<http://www.kchc.ca/index.cfm/home/>

Kingston and District Labour Council

<https://kingstonlabourcouncil.wordpress.com/>

Living Wage for Families Campaign

<http://www.livingwageforfamilies.ca/>

Living Wage Kingston

<http://www.livingwagekingston.ca/>

New Westminster and District Labour Council

<http://www.nwdlc.ca/index.html>

The Sister's of Providence of St. Vincent de Paul

<http://www.providence.ca/?cat=3>

Vancity

<https://www.vancity.com/>

Appendix D – CCPA Living Wage Formula

The primary determinants of the living wage are income from employment and family expenses. However, the calculation also factors in the income the family receives from government transfers and deductions from income for statutory contributions (EI and CPP) and taxes. Thus, the living wage is the hourly rate of pay at which a household can meet its expenses once government transfers have been added and government deductions have been subtracted.

The living wage is calculated using this basic formula:

$$\begin{array}{|c|} \hline \text{Annual family} \\ \text{expenses} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Income from} \\ \text{employment} \\ \text{(living wage)} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Income from} \\ \text{government} \\ \text{transfers} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{EI and CPP} \\ \text{premiums,} \\ \text{federal and} \\ \text{provincial taxes} \\ \hline \end{array}$$

To calculate the wage rate for a specific city, the annual family expenses must equal the employment income plus any government transfers the family receives minus any mandatory federal and provincial contributions and taxes.

The formula is based on a family of four with the following family structure and characteristics:

Family Characteristics and Assumptions	
Family Characteristics	Living Wage Assumptions
Parents	
Number	2
Gender	1 female, 1 male
Age	between 31 and 50
Number of parents in paid work	2
Hours of paid work for each parent	35 hours each
Hourly wage	equal for both
Children	
Number	2
Gender	1 male, 1 female
Age	boy aged 7, girl aged 4

The family expenses included in the formula are basic living costs, shelter, transportation, childcare, social inclusion, insurance and other miscellaneous costs. The following table shows a detailed list of expenses within these categories and the sources used to determine their costs.

Summary of Family Expenses and Resource for Calculating Expense	
Basic Living Costs	
Food	Nutritious Food Basket - calculated total of all family members
Clothing and Footwear	Market Basket Measure
Shelter	
Rent - 3 Bedroom Apartment	Canadian Mortgage and Housing Corporation Rental Market Report
Utilities	Quote from local utility provider
Tenant Insurance	Lowest quote available from insurance provider
Household Furnishing and Equipment	2012 Survey of Household Spending for households in the second income quintile
Transportation	
Used vehicle - (purchasing/leasing cost not included)	Consumer Price Index, Lowest insurance quote
Public Transit	Cost of 20 Transit tickets per month
Child Care	
Full day childcare	Regional child care referral centres
Before and after school program	Regional School Board

Cont'd

Summary of Family Expenses and Resource for Calculating Expense	
Social Inclusion	
Phone, Cable, Internet	Quote from local provider (basic package)
School Fees and Supplies	Ministry of Education guidelines
Recreation	Family membership to the YMCA
Outings	Family membership at a museum, 4 family trips to the movies per year, and an estimate for modest meals at a restaurant once every two months
Vacation	Estimated cost of 1 week camping
Insurance	
Disability and Life Insurance	Lowest quote available from insurance provider
Medical and Dental Insurance	Lowest quote available from insurance provider
Other	
Personal Care	2012 Survey of Household Spending for households in the second income quintile
Parent Education	Tuition costs for 3 college credit courses per year for 1 parent
Contingency	4% of total expenditures